

MISSOURI

Eliza Belle Lile, Cowgill.
 Charline Finley Gardner, Hardin.
 Benjamin R. Treasure, McFall.
 Lilbourn B. Headlee, Morehouse.
 Fred H. Kurz, Savannah.

MONTANA

Helen P. Gibb, Belton.
 Ethel C. Hockman, Kevin.
 Leo Z. Francis, Medicine Lake.
 Hazel M. Peterson, Nashua.
 Mary E. Matthews, Oilmont.
 Frank D. Stoltz, Park City.
 Philip W. Poindexter, Stevensville.
 John W. Huntsberger, Sunburst.

NEVADA

Lem S. Allen, Fallon.
 Frank F. Garside, Las Vegas.

TENNESSEE

Guy W. Mobley, Bells.
 George F. Barfield, Henning.
 Paul S. Savage, Ripley.
 Ocie C. Hawkins, Stanton.

WEST VIRGINIA

Thomas M. Deegan, Benwood.
 Clark E. Heckert, Cairo.
 Della A. Kelly, Montgomery.
 William E. Burchett, Williamson.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 24, 1934

The House met at 11 o'clock a.m.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

Eternal God, our Father, countless are Thy witnesses. The numberless stars are but a little part of them and the prayers and the aspirations of the hearts of men will never cease to praise Thee. Humbled amid Thy manifold glories, may we find a blessed assurance in the simplicity of the Galilean Teacher. Heavenly Father, hasten the time when man shall love Thee as Thou hast loved the world and when the sword and the spear shall be made into the plowshare and the pruning hook and the desert shall blossom as the rose. Strengthen us for the work of today; help us to do it faithfully, cheerfully, and courageously, and may we be counted worthy in Thy sight and have the just approbation of our fellow citizens. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 9530. An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as "The Narrows";

H.J.Res. 345. Joint resolution to provide funds to enable the Secretary of Agriculture to carry out the purposes of the acts approved April 21, 1934, and April 7, 1934, relating, respectively, to cotton and to cattle and dairy products, and for other purposes; and

H.J.Res. 347. Joint resolution to prohibit the sale of arms or munitions of war in the United States under certain conditions.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3040. An act to give the Supreme Court of the United States authority to make and publish rules in actions at law.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 23, 1934:

H.R. 878. An act for the relief of Kathryn Thurston;

H.R. 1254. An act for the relief of H. Forsell;

H.R. 4516. An act for the relief of B. Edward Westwood;

H.R. 5405. An act for the relief of Nicola Valerio;

H.R. 7356. An act to provide, in case of the disability of senior circuit judges, for the exercise of their powers and the performance of their duties by the other circuit judges; and

H.R. 8208. An act to provide for the exploitation for oil, gas, and other minerals on the lands comprising Fort Morgan Military Reservation, Ala.

On May 24, 1934:

H.R. 3673. An act to amend the law relative to citizenship and naturalization, and for other purposes; and

H.R. 5950. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

CAPT. FRANK HAMER

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KLEBERG. Mr. Speaker, my purpose in taking this fragment of time is to congratulate the Nation and the State of Texas and Capt. Frank Hamer, ex-Texas Ranger, and other officers who participated, for the work done in ridding our State of its public enemy no. 1, Mr. Clyde Barrow.

I feel, generally speaking, that in matters of this sort the attention of the country should be directed to the fact that efficiency still exists in the ranks of those who have to do with the enforcement of our country's laws. The State of Texas, of course, has been equipped for many years with a constabulary which, in my opinion, has done great service to the Nation without reference to the infinite good they have done the people of the State of Texas in the invaluable service they have rendered from the time of their creation as an official group for the protection of the peace and dignity of my great State.

I do not want to take too much time this morning, but while Mr. Frank Hamer was not at the time of the apprehension of Clyde Barrow and his consort a member of the Texas Rangers, he had served as a ranger for over 25 years, and it goes without saying that he knew his business. I think it would be well for the country generally to find out just exactly how the problem of apprehending this man was worked out in the brief period of time after Captain Hamer took his trail. I would suggest to the Department of Justice that they might learn something of benefit were they to look into the actual machinations and development of the plan which finally brought this career of crime to an end.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 1 additional minute; I wish to ask him a question.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Does not my colleague think that the most efficacious way of stopping organized thugs in the country would be to adopt Texas Ranger Hamer's slogan of "shooting the devil out of them"?

Mr. KLEBERG. It might be an excellent idea to let men such as Hamer work things out in the way they feel is best fitted.

Mr. BLANTON. Hamer's method is the quickest and most effective way of disposing of them. We do not capture alive and try rattlesnakes. We shoot their heads off before they strike.

EVERGLADES NATIONAL PARK

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 384 and ask for its immediate consideration.

Mr. TREADWAY. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER (after counting). Evidently there is no quorum present.

Mr. BYRNS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 144]

Allen	Cummings	Kee	Rayburn
Allgood	De Priest	Kelly, Ill.	Reid, Ill.
Andrews, N.Y.	Dickstein	Kennedy, Md.	Robinson, Utah
Auf der Heide	Dingell	Kniffin	Rogers, N.H.
Bacon	Doutrich	Kocialkowski	Rogers, Okla.
Bailey	Duffey	Kurtz	Romjue
Beck	Edmiston	Kvale	Sadowski
Berlin	Edmonds	Lea, Calif.	Schulte
Black	Ellzey, Miss.	Lee, Mo.	Shoemaker
Boland	Eitsey, Calif.	Lesinski	Simpson
Brennan	Farley	Lundeen	Sisson
Britten	Fiesinger	McFadden	Smith, W.Va.
Brown, Mich.	Fitzgibbons	McGugin	Studley
Brumm	Foulkes	Maloney, La.	Sumners, Texas
Buchanan	Frey	Marland	Swank
Buckbee	Gavagan	Marshall	Taylor, Colo.
Bulwinkle	Gillespie	Martin, Colo.	Tinkham
Cannon, Wis.	Goodwin	Merritt	Tobey
Carley	Goss	Miller	Underwood
Carpenter, Kans.	Green	Milligan	Wadsworth
Carpenter, Nebr.	Griffin	Monaghan, Mont.	Waldron
Celler	Haines	Moynihan, Ill.	Wallgren
Chapman	Hamilton	Murdock	White
Chase	Hart	Norton	Whittington
Chavez	Hughes	Oliver, Ala.	Wood, Ga.
Connery	James	Palmisano	Wood, Mo.
Cooper, Ohio.	Jeffers	Peterson	
Corning	Johnson, W.Va.	Pettengill	
Crump	Kahn	Prall	

The SPEAKER. Three hundred and eighteen Members have answered to their names; a quorum is present.

Mr. McSWAIN. Mr. Speaker, I desire to announce that the gentleman from New Hampshire, Mr. ROGERS, the gentleman from Alabama, Mr. HILL, the gentleman from Minnesota, Mr. KVALE, the gentleman from Connecticut, Mr. Goss, and the gentleman from Michigan, Mr. JAMES, did not answer this roll call because they were engaged in conducting, on behalf of the Committee on Military Affairs, an investigation pursuant to the instructions of the House.

On motion of Mr. BYRNS, further proceedings under the call were dispensed with.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that all members of the Interstate and Foreign Commerce Committee be excused from attendance for such time as may be necessary this afternoon. They are in a very important committee meeting, so I am advised. I am not going to enumerate their names.

Mr. SNELL. I think the gentleman has made a sufficient announcement.

Mr. TREADWAY. Mr. Speaker, reserving the right to object, may I ask the gentleman if permission should not also be asked for the members of the Ways and Means Committee? I am not authorized to make such a request for them, but this committee, too, is holding a very important meeting this afternoon. If the members of the Committee on Interstate and Foreign Commerce are to be excused, I think the members of the Committee on Ways and Means should be excused, too.

Mr. BYRNS. I hope if the gentleman is going to be absent he will not, between now and the time he leaves, make any more points of no quorum.

Mr. TREADWAY. The measure that has been called up this morning is so important that a very important financial bill was laid aside to take it up, and it seemed to me that we should have a full attendance.

Mr. BYRNS. Mr. Speaker, may I state to the gentleman from Massachusetts and to the Members of the House that it is extremely important that every Member stay in his seat today, because it is necessary to act not only upon the bill that is about to be considered but upon the deposit-insurance bill as well.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EMERGENCY OFFICERS' RETIREMENT ACT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to have the bill (S. 1595) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War, taken from the Committee on World War Veterans' Legislation, and referred to the Committee on Military Affairs.

Mr. LUCE. Mr. Speaker, I reserve the right to object.

Mr. McFARLANE. Mr. Speaker, reserving the right to object, will the gentleman tell us what this bill is?

Mr. RANKIN. It is a bill extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War.

Mr. LUCE. Mr. Speaker, I wish to know if this is done in order to keep intact the clear record of the Committee on World War Veterans' Legislation of not having any meetings this session?

Mr. RANKIN. I do not know, but it will certainly help carry out the record of the gentleman from Massachusetts in not voting for benefits for World War veterans except under pressure.

Mr. SNELL. The gentleman from Mississippi [Mr. RANKIN] has not said anything about having meetings this session.

Mr. RANKIN. Does the minority leader desire to be heard on any legislation?

Mr. BANKHEAD. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EVERGLADES NATIONAL PARK

The SPEAKER. The gentleman from Georgia [Mr. Cox] calls up a privileged resolution, which the Clerk will report. The Clerk read the resolution, as follows:

House Resolution 384

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H.R. 2837, to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes, and all points of order against said bill or any amendment recommended by the Committee on the Public Lands are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Public Lands, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, this is a resolution to make in order the Wilcox bill (H.R. 2837) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes. The rule provides for 2 hours' general debate on the bill.

Since there is an hour on the rule, which will be largely devoted to a discussion of the merits of the bill, I offer a motion to amend the resolution by striking out the word "two", in line 10, and substituting in lieu thereof the word "one", which means reducing general debate from 2 hours to 1 hour.

The SPEAKER. The gentleman from Georgia offers a committee amendment which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 1, line 10, strike out the word "two" and insert in lieu thereof the word "one."

Mr. LEHLBACH. Mr. Speaker, a point of order. This is not a committee amendment.

Mr. MARTIN of Massachusetts. Mr. Speaker, the committee has never acted on the suggestion of the gentleman from Georgia [Mr. Cox].

Mr. COX. Is the gentleman from Massachusetts not prepared to consent to this amendment?

Mr. MARTIN of Massachusetts. No.

Mr. BLANTON. Mr. Speaker, I make the point of order that the gentleman from Georgia [Mr. Cox] is in charge of the resolution and the time. He has the floor and he may offer any amendment he wants to offer.

The SPEAKER. The point of order of the gentleman from Texas [Mr. BLANTON] is sustained.

Mr. MARTIN of Massachusetts. Mr. Speaker, I question the gentleman's authority to amend the rule without a meeting of the Rules Committee.

Mr. COX. I am handling the rule for the committee, and I think it is my privilege to offer an amendment.

Mr. MARTIN of Massachusetts. What would be the use of having meetings of the Rules Committee if any one Member could come in here and offer a committee amendment without consulting the other members of the committee?

Mr. BLANTON. The gentleman from Georgia [Mr. Cox] represents the majority of the committee and has the floor. He can offer such amendments as he desires. Mr. Speaker, I ask for the regular order.

Mr. MARTIN of Massachusetts. I ask for a ruling by the Chair.

The SPEAKER. The gentleman from Georgia [Mr. Cox] is in charge of the matter and has a perfect right to offer an amendment.

The question is on the amendment offered by the gentleman from Georgia [Mr. Cox].

Mr. SNELL. Mr. Speaker, I demand a division.

Mr. BLANTON. This is a Republican filibuster pure and simple.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 244, nays 87, answered "present" 1, not voting 99, as follows:

[Roll No. 145]

YEAS—244

Abernethy	Cochran, Mo.	Ellzey, Miss.	Kennedy
Adair	Coffin	Faddis	Kerr
Adams	Colden	Fernandez	Kleberg
Arnold	Cole	Fitzpatrick	Kloeb
Ayers, Mont.	Collins, Miss.	Flannagan	Kopplemann
Ayres, Kans.	Colmer	Fletcher	Kramer
Bankhead	Condon	Ford	Kvale
Beam	Cooper, Ohio	Fuller	Lambeth
Beiter	Cooper, Tenn.	Fulmer	Lanham
Berlin	Cox	Gambrill	Lanzetta
Biermann	Cravens	Gasque	Larrabee
Bland	Crosby	Gillette	Lee, Mo.
Blanton	Cross, Tex.	Glover	Lehr
Bloom	Crowe	Goldsborough	Lemke
Boehne	Cullen	Granfield	Lesinski
Bolleau	Darden	Gray	Lewis, Colo.
Boland	Dear	Gregory	Lewis, Md.
Boylan	Deen	Griswold	Lindsay
Brooks	Delaney	Hancock, N.C.	Lozier
Brown, Ga.	DeRouen	Harlan	Ludlow
Brown, Ky.	Dickinson	Harter	Lundeen
Browning	Dickstein	Hastings	McCarthy
Brunner	Dies	Healey	McClintic
Burch	Dingell	Henney	McCormack
Burke, Calif.	Disney	Hildebrandt	McDuffie
Busby	Dobbins	Hill, Knute	McFarlane
Byrns	Dockweiler	Hill, Samuel B.	McGrath
Cady	Dondoro	Hoidale	McKeown
Caldwell	Doughton	Howard	McLeod
Cannon, Mo.	Douglass	Imhoff	McMillan
Carden, Ky.	Doxey	Jacobsen	McReynolds
Carmichael	Drewry	Jenckes, Ind.	McSwain
Carpenter, Kans.	Driver	Johnson, Minn.	Mansfield
Cartwright	Duncan, Mo.	Johnson, Okla.	Martin, Oreg.
Cary	Dunn	Johnson, Tex.	May
Castellow	Durgan, Ind.	Jones	Mead
Chavez	Eagle	Keller	Meeks
Clalborne	Elcher	Kelly, Ill.	Miller
Clark, N.C.	Ellenbogen	Kennedy, N.Y.	Mitchell

Monaghan, Mont.	Randolph
Montague	Rankin
Montet	Reilly
Moran	Richards
Morehead	Richardson
Musselwhite	Robertson
Nesbit	Rogers, N.H.
O'Brien	Romjue
O'Connell	Rudd
O'Connor	Ruffin
O'Malley	Sabath
Oliver, N.Y.	Sanders, La.
Owen	Sanders, Tex.
Parker	Sandlin
Parks	Schaefer
Parsons	Schuetz
Patman	Scrugham
Peyser	Sears
Pierce	Secrest
Polk	Shallenberger
Ramsay	Shannon
Ramspeck	Sirovich

Smith, Va.	Turpin
Smith, Wash.	Umstead
Snyder	Utterback
Somers, N.Y.	Vinson, Ga.
Spence	Vinson, Ky.
Steagall	Walter
Strong, Tex.	Warren
Stubbs	Wearin
Sullivan	Weaver
Summers, Tex.	Weideman
Sutphin	Werner
Sweeney	West, Ohio
Tarver	West, Tex.
Taylor, S.C.	White
Terrell, Tex.	Whittington
Terry, Ark.	Wilcox
Thom	Willford
Thomason	Williams
Thompson, Ill.	Wilson
Thompson, Tex.	Wolfenden
Truax	Young
Turner	Zioncheck

NAYS—87

Allen	Dirksen	Knutson	Sinclair
Andrew, Mass.	Ditter	Lambertson	Snell
Bacharach	Dowell	Lamneck	Stalker
Bacon	Eaton	Lehlbach	Stokes
Bakewell	Englebright	Luce	Strong, Pa.
Beck	Evans	McFadden	Taber
Beedy	Fish	McGugin	Taylor, Tenn.
Blanchard	Focht	Mapes	Thomas
Bolton	Foss	Martin, Mass.	Thurston
Burke, Nebr.	Frear	Merritt	Tinkham
Burnham	Gifford	Millard	Tobey
Carter, Calif.	Gilchrist	Mott	Traeger
Carter, Wyo.	Guyer	Moynihan, Ill.	Treadway
Cavichia	Hancock, N.Y.	Muldowney	Waldron
Christianson	Hartley	Peavey	Welch
Clarke, N.Y.	Hess	Perkins	Whitley
Cochran, Pa.	Higgins	Powers	Wigglesworth
Collins, Calif.	Hollister	Ransley	Withrow
Connolly	Jenkins, Ohio	Reed, N.Y.	Wolcott
Crowther	Kahn	Rich	Wolverton
Culkin	Kelly, Pa.	Rogers, Mass.	Woodruff
Darrow	Kinzer	Seger	

ANSWERED "PRESENT"—1

Connery

NOT VOTING—99

Allgood	De Priest	Hope	Pettengill
Andrews, N.Y.	Doutrich	Huddleston	Plumley
Arens	Duffey	Hughes	Prall
Auf der Heide	Edmiston	James	Rayburn
Bailey	Edmonds	Jeffers	Reece
Black	Eltse, Calif.	Johnson, W.Va.	Reid, Ill.
Brennan	Farley	Kee	Robinson
Britten	Fiesinger	Kennedy, Md.	Rogers, Okla.
Brown, Mich.	Fitzgibbons	Kniffin	Sadowski
Brumm	Foulkes	Kocialkowski	Schulte
Buchanan	Frey	Kurtz	Shoemaker
Buck	Gavagan	Lea, Calif.	Simpson
Buckbee	Gillespie	Lloyd	Sisson
Bulwinkle	Goodwin	McLean	Smith, W.Va.
Cannon, Wis.	Goss	Maloney, Conn.	Studley
Carley, N.Y.	Green	Maloney, La.	Swank
Carpenter, Nebr.	Greenway	Marland	Swick
Celler	Greenwood	Marshall	Taylor, Colo.
Chapman	Griffin	Martin, Colo.	Underwood
Chase	Haines	Milligan	Wadsworth
Church	Hamilton	Murdock	Wallgren
Corning	Hart	Norton	Wood, Ga.
Crosser, Ohio	Hill, Ala.	Oliver, Ala.	Wood, Mo.
Crump	Hoepfel	Palmisano	Woodrum
Cummings	Holmes	Peterson	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Fiesinger (for) with Mr. Doutrich (against).
 Mr. Palmisano (for) with Mr. Brumm (against).
 Mr. Green (for) with Mr. Chase (against).
 Mr. Sears (for) with Mr. Edmunds (against).
 Mr. Peterson (for) with Mr. Goss (against).
 Mr. Underwood (for) with Mr. Kurtz (against).
 Mr. Pettengill (for) with Mr. Plumley (against).
 Mr. Hamilton (for) with Mr. Simpson (against).
 Mr. Corning (for) with Mr. Wadsworth (against).
 Mr. Crump (for) with Mr. Holmes (against).
 Mr. Black (for) with Mr. Eltse of California (against).
 Mr. Greenwood (for) with Mr. Britten (against).
 Mr. Woodrum (for) with Mr. Swick (against).
 Mr. Griffin (for) with Mr. Marshall (against).
 Mrs. Norton (for) with Mr. Reid of Illinois (against).
 Mr. Kee (for) with Mr. Goodwin (against).
 Mr. Gavagan (for) with Mr. De Priest (against).
 Mr. Chapman (for) with Mr. Hope (against).
 Mr. Sadowski (for) with Mr. Andrews of New York (against).
 Mr. Prall (for) with Mr. Buckbee (against).
 Mr. Maloney of Louisiana (for) with Mr. Reece (against).

Until further notice:

Mr. Buchanan with Mr. Frey.
 Mr. Allgood with Mr. Rogers of Oklahoma.

Mrs. Greenway with Mr. Marland.
 Mr. Bulwinkle with Mr. Sisson.
 Mr. Huddleston with Mr. Lloyd.
 Mr. Swank with Mr. Carley of New York.
 Mr. Taylor of Colorado with Mr. Kniffin.
 Mr. Wood of Georgia with Mr. Brennan.
 Mr. Haines with Mr. Buck.
 Mr. Maloney of Connecticut with Mr. Church.
 Mr. Smith of West Virginia with Mr. Robinson.
 Mr. Bailey with Mr. Schulte.
 Mr. Hill of Alabama with Mr. Wallgren.
 Mr. Martin of Colorado with Mr. Gillespie.
 Mr. Milligan with Mr. Auf der Heide.
 Mr. Jeffers with Mr. Murdock.
 Mr. Johnson of West Virginia with Mr. Fitzgibbons.
 Mr. Lea of California with Mr. Cannon of Wisconsin.
 Mr. Duffey with Mr. Brown of Michigan.
 Mr. Farley with Mr. Cummings.
 Mr. Kocialkowski with Mr. Edmiston.
 Mr. Hughes with Mr. Wood of Missouri.
 Mr. Kennedy of Maryland with Mr. Studley.
 Mr. Rayburn with Mr. James.
 Mr. Oliver of Alabama with Mr. McLean.
 Mr. Crosser of Ohio with Mr. Arens.
 Mr. Celler with Mr. Shoemaker.

The result of the vote was announced as above recorded.

Mr. BYRNS. Mr. Speaker, I desire to proceed for one moment to make an announcement.

My colleague the gentleman from Tennessee [Mr. CRUMP] is unavoidably absent on account of important business. If he were present he would vote "yea."

FEDERAL LOANS TO THE DISTRICT OF COLUMBIA

Mr. SMITH of Virginia submitted the following privileged report from the Committee on Rules for printing in the Record under the rule:

[H. Rept. No. 1759, 73d Cong., 2d sess.]

CONSIDERATION OF S. 3404

Mr. SMITH, from the Committee on Rules, submitted the following report (to accompany House Resolution 368):

The Committee on Rules, having had under consideration House Resolution 368, reports same to the House with the recommendation that the resolution do pass.

House Resolution 368

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3404, a bill authorizing loans from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BLANTON reserved all points of order.

EVERGLADES NATIONAL PARK

Mr. COX. Mr. Speaker, it is perfectly apparent that the gentlemen of the minority are very much interested in this Wilcox bill. They were probably provoked into initiating this apparent filibuster by the motion made by me to reduce general debate from 2 hours to 1 hour. I regret that, possibly, I was not fully advised of the interest in the bill at the time I offered the motion.

I certainly desire to be altogether decent and fair with the minority and to accommodate their needs, Mr. Speaker, I wish to yield to the gentleman from Pennsylvania [Mr. RANSLEY], the ranking minority member of the Rules Committee, 45 minutes of the 1 hour of time which is to be devoted to the rule, to be yielded by him as he may see fit.

The SPEAKER. The gentleman from Pennsylvania will be recognized for 45 minutes.

Mr. COX. Mr. Speaker, this Wilcox proposal, as contained in H.R. 2837, is no new matter. It deals with a question that has been before the House many times. It simply provides for the establishment of what is designated as "the Everglades National Park", an area to be comprised of 1,300,000 acres of land located in the extreme southern portion of the State of Florida. The State of Florida owns

about 350,000 acres, which it proposes to donate. The remainder of the area is to be acquired by donation. The Government is not expected to expend one dime in the acquisition of this property, and the bill provides that no expenditure whatever shall be made by the Government on the development of the park for 5 years after the adoption of the bill.

Mr. Speaker, I reserve the remainder of my time.

Mr. HASTINGS. Mr. Speaker, will the gentleman yield a moment there?

Mr. COX. I yield.

Mr. HASTINGS. Why is this unusual amendment added to the bill, that the Government shall not spend any money for 5 years after all the area is acquired?

Mr. COX. This concession on the part of the sponsors of the bill is made, I dare say, out of consideration for the needs of the Treasury of the United States, and I dare say for the further purpose of popularizing the whole question with the Membership of the House.

Mr. HASTINGS. Has such an amendment ever been added to any other bill creating a national park?

Mr. COX. I do not know of any instance in which that has been done.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. COX. Mr. Speaker, I reserve the balance of my time.

Mr. MARTIN of Massachusetts. I was going to suggest to the gentleman that he should have someone explain the bill before we continue the debate.

Mr. COX. I think the gentleman from Massachusetts is perfectly acquainted with the proposal and is in position to discuss the question.

Mr. MARTIN of Massachusetts. I know about it, and I wanted the other Members of the House to also know about it.

Mr. COX. I must not consume the time I have by answering further questions at this time.

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker and Members of the House, the minority has not been conducting a filibuster, but in view of the character of the bill to be made in order by this rule must insist on its rights.

The Committee on Rules reported the resolution making this bill in order as it is printed, without amendment. Under authority of the committee, by designation of its chairman, the gentleman from Georgia was intrusted, on the part of the committee, as its spokesman, to present this resolution to the membership of the House.

Now, it may be that the Speaker was right in his ruling that when the gentleman from Georgia, as spokesman of the committee, was presenting the views and action of the committee to the House he could at that time in his individual capacity, as a Member of the House, alter the action of the Committee on Rules, which he was designated to present. It may be that he was within the strict letter of the rule, but he certainly did not act as spokesman and trustee of the committee when he altered the action of the committee without consulting its members. For that reason, and because his action was not in accordance with the action of the committee, we had a right to show our protest.

The bill to be made in order is a bill almost as important as it is vicious, and for that reason those of us who oppose this steal insist on having adequate general debate in order to present the facts in the case to the House and to the people. For that reason this action in cutting down the time of general debate by two was not playing the game and was an invasion of the rights of the majority of the House.

Mr. COX. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. COX. The gentleman from New Jersey overlooks the generosity of the majority in yielding almost all of its time on the rule. The gentleman is fair enough to concede that the cutting down of general debate was in the interest of economy of time and to promote the final consideration of the bill now pending before the House.

Mr. LEHLBACH. And to promote the chances of the bill by not affording adequate general discussion.

Mr. COX. I want to disclaim any intention to take advantage of the minority in moving to reduce the time of general debate. I had no idea of cutting off debate, for as far as I am personally concerned, you might debate it all day.

Mr. LEHLBACH. I wish to state that there is no question in my mind that the action of the gentleman from Georgia in offering his amendment was without consideration, and an inadvertence; that he did the best he could when he saw how his action was received by the minority, and the consequences that might follow; he then gave us three quarters of the time that his amendment deprived us of.

Mr. O'CONNOR. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from New York.

Mr. O'CONNOR. The gentleman will recall that the Committee on Rules very reluctantly granted 2 hours general debate, and that the request for a longer time than the usual 1 hour to which we confine matters generally, was asked for by the sponsors of the bill. The 2 hours for general debate was not demanded by any opponent. The sponsors asked for 2 hours so that they might more adequately explain the bill, and so the minority has not been interfered with.

Mr. LEHLBACH. I am not talking about what occurred in the Committee on Rules, but I am talking about the consequence of the change of action and the manner in which it was done.

Mr. TREADWAY. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. TREADWAY. If, in accordance with the statement of the gentleman from New York [Mr. O'CONNOR], the sponsors of the bill were the ones who asked for the extension of time, why is it that the sponsors, and those in favor of the bill, did not explain the bill to the House before asking the opposition to go on with their statements?

Mr. LEHLBACH. That is a question that should be answered by the gentleman in charge of the rule when opportunity is accorded. I do think that the statement of the gentleman from Massachusetts is to the point. I think, before this debate continues after my time expires, that the bill should be explained to the House by its protagonists, before we are called upon to use any further time.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. LEHLBACH. Yes.

Mr. O'CONNOR. Is the gentleman seriously contending that there is not any Member of this House who does not know about this particularly famous bill?

Mr. LEHLBACH. There is not an old Member of the House who does not know about it, because what they have known in the past about this bill has precluded its passage, although it has been kicking around here for years.

Mr. O'CONNOR. The gentleman from Massachusetts [Mr. TREADWAY] is one of the youngest looking and yet one of the oldest Members of this House, and he ought to know.

Mr. TREADWAY. Why not also say the handsomest?

Mr. LEHLBACH. This bill is to create a snake swamp park on perfectly worthless land in the State of Florida, so the fact that it would not cost the Government anything for the initial acquisition of this worthless swamp is the height of irony, but if the Government takes this and builds a road at a cost of \$1,000,000 to get to it, because it will take \$1,000,000 to make it accessible, and then pours countless millions into that swamp, it will do something that adds value to the surrounding real estate in Florida. This is the most perfect example of supersalesmanship of Florida real estate, although we have seen many of them, that has ever yet been made public. I yield back the remainder of my time.

Mr. RANSLEY. Mr. Speaker, will the gentleman from Georgia [Mr. Cox] please explain the bill at this time?

Mr. COX. Mr. Speaker, if the gentleman is satisfied with the debate up to this point, I shall move the previous question.

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

The SPEAKER pro tempore (Mr. PARKS). The gentleman from New York is recognized for 10 minutes.

Mr. TABER. Mr. Speaker, this is another old friend. It has a history, but I am not going to tell about the history; I am going to tell about the bill. I have assumed from the attitude which has been taken by the proponents of the bill that they had not any satisfactory explanation for the bill and that they propose to put it through the House under cover of darkness. If they had a satisfactory explanation of it, they would give it. I can tell only a little bit about it, because it has been impossible to find out the real heart of it. It came in here a good many years ago, and at that time it was generally talked around here that before we got through with it it would cost \$100,000,000 out of the Treasury of the United States.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. BANKHEAD. Did anybody in any position of responsibility or respect for their opinion make any such statement as that? Who made such a wild statement?

Mr. TABER. I hope the gentleman will watch what the debate develops here and see what he thinks about that question when we get through.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CULKIN. Is it not a fact that Mr. Speaker Longworth, in ruling on some parliamentary phase of this bill, stated that this bill, making a park out of 3,400 square miles of land, would involve future disbursements on the part of the Government of many millions, including \$700,000 per mile for roads? Does the gentleman recall the ruling of the late Speaker upon that?

Mr. TABER. I think that is the situation.

Mr. CULKIN. So that it is a matter of record that it will be extremely costly.

Mr. TABER. Oh, yes. There is no question about that.

Mr. SEARS. Mr. Speaker, will the gentleman yield?

Mr. TABER. Not at this time. I have been in hope that the gentleman would go on and attempt to explain the bill, because I think that the House of Representatives, when called on to pass a bill of this character, ought to know what it is about. The operations the proponents of the bill are going through here indicate that they do not want it explained; they want it in the dark. I am going to tell you a few things about it so that the House can get a little bit of a picture of it. This bill provides for establishing the Everglades Park, and that Everglades Park covers, as I understand, one-million-three-hundred-thousand-and-odd acres. It includes three whole counties and maybe more. I know that much of one of those counties is supposed to be owned almost entirely by Barron Collier, a leading Democrat in New York City. Out of the 1,300,000 acres I understand that 300,000 acres have already been acquired by the State of Florida.

Mr. WILCOX. Mr. Speaker, will the gentleman yield?

Mr. TABER. I was in hope that the gentleman would explain his bill, and I hope its proponents will do it in their own time. It would have been fair if they had explained it before we started, and I do not believe that I can yield to the gentleman from Florida [Mr. WILCOX] until he explains this bill. If the gentleman would take his time and explain the bill the way folks generally do when they have something important they want the House to consider, we would have before us then what the proponents think about it, so that we could talk about it, but we have not got that now. That is not the way matters of this importance ought to be brought before the House of Representatives.

Mr. WILCOX. But the gentleman—

Mr. TABER. I decline to yield to the gentleman to explain his bill in my time.

Under ordinary circumstances, if the proponents had come here and attempted to explain this bill before we started, I would yield to him as I go along; but in view of the fact that they did not, I do not feel I ought to yield to them to explain

the bill in my time. I think they ought to explain the bill in their own time, if there is any explanation, and if there is not any explanation, the House of Representatives ought to turn the bill down.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. COX. If the gentleman himself is not acquainted with the bill, then how can the gentleman be certain of anything he is now saying?

Mr. TABER. Oh, I am only certain from what investigation I have been able to make, and the things I have found out about it have rather decidedly made me feel that the House of Representatives, if they knew about the bill, would not be for it.

As I said before, Barron Collier, a leading Democrat of New York City, is supposed to own one of the three counties. I do not know that as a certainty, but I have received letters from different parts of the country telling me that fact.

The Secretary of the Interior goes down there and looks over the place, and I read from the report of the committee, on page 3, on this particular subject:

With the help of Dr. Fairchild and Judge Ritter, president of the association—

I do not know whether you have heard of Judge Ritter or not, but, in any event, the Committee on the Judiciary is investigating him—

and through the kindness of Mr. Henry L. Doherty—

Did you ever hear of him? Mr. Henry L. Doherty is head of the Cities Service Co., which is now being investigated by the Federal Trade Commission. He was chairman of the President's birthday ball committee. He is the owner, as a side line, of a chain of hotels in southern Florida, which would more or less be benefited by the adoption of this bill.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. McFADDEN. This is the same Doherty whose daughter is now secretary to the legation abroad to which Mrs. Ruth Bryan Owen is Minister?

Mr. TABER. I have heard so, but I do not know.

Mr. MARTIN of Massachusetts. Mr. Speaker will the gentleman yield?

Mr. TABER. I yield.

Mr. MARTIN of Massachusetts. And was not the Minister the first one who proposed this legislation?

Mr. TABER. No. I think the legislation goes back of that. Under her guidance the upbuilding of what it was going to cost the Federal Treasury was completed.

Mr. MARTIN of Massachusetts. She is the one who brought the snakes up here to exhibit?

Mr. TABER. Oh, yes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. Speaking of Henry Doherty, who took Secretary Wilbur on that tour up Shark River, does not the gentleman now feel that the men who own this ground in the Everglades want to take Congress up Shark River?

Mr. TABER. Well, perhaps they do. Congress would be a minor part of it, because I do not suppose the Members of Congress pay a big portion of the taxes, but the taxpayers of the United States would be taken up Shark River with a vengeance.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield further?

Mr. TABER. I yield.

Mr. McFADDEN. I have noticed in the past that when important pieces of legislation are to be considered the appropriate department of the Government sends out a questionnaire. Does the gentleman know whether they have done that in this instance? It was done in the case of the Bankhead cotton bill. The parties interested were consulted. I am wondering whether the alligators and the snakes have been consulted.

The SPEAKER pro tempore. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. RANSLEY. Mr. Speaker, I yield the gentleman from New York 5 additional minutes.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. JENKINS of Ohio. I should like to ask the gentleman if he has ever seen this territory?

Mr. TABER. No. I am sorry I have not. I am busy here all winter and am unable to go down and look it over.

Mr. JENKINS of Ohio. In the language of General Johnson, "The gentleman has never seen nothing yet."

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. TREADWAY. In view of the testimony that is before us, not new information, because we do not have any and have not been given any, but in view of the testimony previously submitted, the gentleman could not see this neighborhood unless he owned an airplane. I assume from what the gentleman has just said as to his income that he does not own an airplane. He might get Mr. Doherty to lend him his.

Mr. TABER. I presume if any Member of Congress would go down there and look it over Mr. Doherty would be glad to oblige him, because it is very much in Mr. Doherty's interest to have this bill passed.

Mr. WILCOX. Mr. Speaker, will the gentleman yield?

Mr. TABER. No; not just at this moment.

Now, I want to read from an old report on page 14. This is a report that was put into the Senate in the Seventy-first Congress:

The State of Florida owns 20 to 25 percent of the lands and the balance is in the hands of a very few individuals and corporations.

On page 14 also—now, let us see what you are getting in for:

It is proposed to establish a Pan American highway which would include the existing highway down the Florida Peninsula and along the keys. The present road ends at lower Matecumbe Key, but it is proposed to extend it to Key West, thence by ferry to Cuba, thence by road across Cuba, thence by ferry to Yucatan, and thence by road to South America. If this project materializes, travel through southern Florida would be increased, and the proposed park area would be a feature of the Pan American highway.

The nearest present or prospective national park is the Great Smoky Mountains National Park in North Carolina and Tennessee, which is distant about 700 miles.

Well, now, you know that we are getting a little nearer to that Pan American highway. An estimate of \$5,000,000 was included in the bill the Appropriations Committee is now considering, this amount to be spent for this Pan American highway. That is the truth.

Mr. KELLER. Not by way of Florida.

Mr. TABER. I do not know. It was for the Pan American highway. I think it was.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield further?

Mr. TABER. Certainly.

Mr. McFADDEN. This development would also improve the value of the Miami Biltmore and other hotels which Doherty has recently purchased.

Mr. TABER. Oh, yes; so he could entertain his Democratic friends. They seem to be the ones with enough money to go down there.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CULKIN. Does not the gentleman think that Mr. Doherty ought to entertain the subscribers to Cities Service stock?

Mr. TABER. Oh, he does not want to see them! [Laughter.]

Mr. CULKIN. He has already given them a ride, I suppose.

Mr. TABER. It appears from page 8 of the hearing that they are going to build some roads down there. From page 4 of the hearing I want to read you how good the fishing is in that section of the country.

Mr. TREADWAY. When was this hearing held?

Mr. TABER. Oh, some time in 1931.

Mr. TREADWAY. It was not held on the present bill, then?

Mr. TABER. Oh, no; but on one of these bills.

This is the testimony of Mr. Albright:

I might say also that Mr. Kelsey is a fisherman; that he looks a little into the possibility of fishing down there. I am sorry to admit it, but he never caught any fish, but we had a fish jump into our boat.

[Laughter.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 5 additional minutes to the gentleman from New York.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. McFADDEN. I am interested in this fishing story. Did this happen before the Prohibition Act was repealed or afterward?

Mr. TABER. Well, I do not know; maybe they could do as well today.

It appears from some of the talk I have heard that this is supposed to be a duck preserve. It appears also that somebody has dug a channel from the sea into the fresh water and that the salt water has driven the ducks away. So the value of this area as a duck preserve is more or less destroyed.

These are some of the points of the bill.

I wish to read a little from page 5:

Mr. YON. Mr. Chairman, does this proposed park area take in the Royal Palm State Park down there?

The CHAIRMAN. Yes; it does.

Mr. YON. Well, there is a road that goes through from Miami down that far and then down to the cape.

Mr. ALBRIGHT. Unfortunately, it is out of commission. The big storm of a couple of years ago put that out of commission.

He then goes on to tell how it would have to be rebuilt.

Now, this is the thing about which I wish you to think: We have had all kinds of rumors and talk about what this bill would cost, all kinds of estimates; we have had certain definite facts that point in that direction. The State of Florida proposes under this bill to give the land to the United States. Why would the State of Florida want to give this land, 1,300,000 acres, to the United States unless it expected to get a big appropriation out of the Federal Treasury? This is the thing in which I am especially interested. I want you to be serious about it; I want you to think about it. I expect if we pass this bill today we will be approached in the not far distant future with an effort to obtain countless millions out of the Federal Treasury for this development and the development of matters connected with it.

I do not like to oppose the Members from Florida, for they are my friends; but I feel that my responsibility as a Member of this House calls upon me to oppose this bill in the interest of the Federal Treasury.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. GIFFORD. I feel as does the gentleman from New York—I do not want to be unfair to the Members from Florida—but does the gentleman recall that about 2 weeks ago one of the Members of Congress from Florida boasted that in the last 10 years Florida had received \$500,000,000 of Federal funds?

Mr. TABER. That is about the truth; and if this bill passes, it will make \$100,000,000 more, I am afraid.

I know of no way to stop these funds from coming out of the Federal Treasury except to refuse to pass such bills when they come up. This bill has been under consideration a long time in more ways than one, and it has invariably failed of passage. Those things do not happen unless there is a reason for them. Were it a bill in the real interest of the people of the United States, it would have been passed before. I think we should gather some sense from the history of the legislation, from the manner in which it has been brought up without any explanation, without any attempt to tell the House what it was before the members of the opposition were called upon to take the floor and tell what they knew about it, which they have done the best they could. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I have an affection for my friend from New York and my friend from Massachusetts. To re-

lieve them of the evident distress they are under, a distress growing out of ignorance of the pending legislation, and to enlighten them I yield 8 minutes of the time remaining to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Speaker, I do not know that I can enlighten the House on this bill, but I shall endeavor to. I have the highest admiration for my colleague from New York. I admire his ability, I admire his intellectual honesty, I admire his zealous efforts to have our Government function in an economic and efficient way; and, frankly, I do not believe he would have come before the House today in an effort to laugh this bill out of court had he not been laboring under a misapprehension of fact.

This bill has been considered and passed by the Senate on three different occasions. It has never come to a vote on its merits in the House. The bill was considered by the Committee on Public Lands, and voluminous testimony was taken. On two different days the Special House Committee on the Conservation of Wild Life Resources held hearings on this bill, at which hearings some of the leading scientists of the United States appeared. We found that this project was endorsed by all of the major conservation organizations of the United States.

I felt that when this bill came before this House the Members who so frequently had not been able to say as did the late John Sharp Williams, of Mississippi: "I am a Senator of the United States from Mississippi"—Members who sometimes had had to yield to political expediency in cases where the interests of their districts conflicted with the interests of the other sections of the country—that those Members would welcome an opportunity to join hands in the passage of an unselfish nonpartisan conservation bill for the public welfare.

This bill will not cost the United States one penny in the acquisition of land. Mr. Barron Collier does not own any land in the area to be acquired. The county referred to in which he is interested is north of this area. May I say that 300,000 acres of this land to which the gentleman referred was ceded by the Federal Government to Florida, and Florida proposes to give the land back. The other area will be bought either by public expenditure in Florida or through contributions by public-spirited citizens. Mr. Doherty has no particular interest in this bill. He owns two hotels out of many hotels in Florida. The people that we want to preserve this great natural resource for are the poor people that cannot go to the Miami Biltmore or to the wonderful, palatial, marble hotels at Coral Gables—those people who live up there in the same district that the gentleman from Massachusetts comes from.

Mr. MARTIN of Massachusetts. Will the gentleman yield? I should like to ask the gentleman how the people from Massachusetts are going to get down there.

Mr. COX. Mr. Speaker, I hope the gentleman will be allowed to proceed and finish his statement without interruption.

Mr. RICH. Will the gentleman yield?

Mr. ROBERTSON. If the Members want to know something about the bill, I am willing to tell them.

Mr. COX. I trust the gentleman will not yield.

Mr. ROBERTSON. I yield to the gentleman from Pennsylvania for a brief question.

Mr. RICH. How are the people going to enjoy the privileges of this park if no money is spent so that they can get into the park?

Mr. ROBERTSON. I may say that they can now get into the park in two ways. There is a road already built through the park, and the Director of the National Parks Service informs us that he does not contemplate the construction of any more roads. There may be some brief trails constructed, but no more roads. We write into this bill as a special amendment that this entire area must be preserved in its natural state. We want to exclude the hand of commercialism in this area. You can go through there now in a canoe, as the Seminole Indians do. You can ride into the area; you can walk into this area.

In this proposed national park we have the best species of royal palm to be found in the United States or anywhere

in the world. These royal palms tower to the sky 80 and 100 feet, and the slimy hand of commercialism is now going in there and taking those trees out by the roots to put in parks and to plant around the villas of wealthy men. We want to save these trees just as we saved the big red-wood trees in the Sequoia National Park.

There are now 22 national parks in the United States and only one marine park, and that on the coast of Maine at Acadia.

This park can be made into the most wonderful marine park in the world where you will have around these corals all the species of tropical fish, and it is the only place in the United States where mahogany is indigenous. In this park we have the most wonderful assembly of tropical birds to be found in the United States.

The question may be asked, How will the poor people get there? Of course, I do not mean the man who has not got daily bread. I refer to the man of moderate means, who owns a flivver, the man who can get away for a few days' trip. He cannot go to South America, India, or Africa to see tropical conditions, but he can get in his flivver and come down the coast—we have fine roads all the way—and see a tropical place where the fauna and flora are not excelled anywhere in the United States. He can see on the coral reefs—and this is of great interest to geologists—the building up of soil, where the ocean waves bring up the drift-wood, and the soil and the land is built by natural processes. All of these things he may see there in this wonderful tropical park on which the United States will not spend one red cent for 5 years after the approval of this bill. As contrasted with the statement of the gentleman from New York when he mentioned \$100,000,000, the Director of the National Parks Service tells us that there will be involved only the nominal expense of maintenance.

Mr. WILCOX. Will the gentleman yield?

Mr. ROBERTSON. I yield to the gentleman from Florida.

Mr. WILCOX. The statement was made a moment ago that it would cost \$700,000 a mile to build roads in this district.

Mr. ROBERTSON. There are not to be any roads. We have it in the bill to leave this area in its natural state. We do not want roads. We want only those who from a love of nature desire to commune with nature's God to come in there and enjoy the natural conditions existing in this park.

Mr. WILCOX. Is it not a fact that roads may be built in this particular area at a less cost per mile than in any other section of the United States?

Mr. ROBERTSON. Yes. All you have to do is to drain it and throw up the sand and shells and you have all the road you need. The expense will be small.

I recently read in a novel by a Frenchman, *Journey to the End of the Night*, a statement to the effect that the world is one vast scheme to catch you with your trousers down. For the past 15 or 18 years this seems to have been the experience of this Nation.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield the gentleman the balance of my time.

Mr. ROBERTSON. The big bankers have been catching the unsuspecting investor. The stock market and the security exchange have been catching him. The commodity exchange has been catching the farmer. All through the years it has been a game of catching the other fellow and an unreasoning worship of things material. As we walk from this end of the Capitol to the other we pass through a beautiful room where there are murals. On the right hand is depicted the scene of De Soto discovering the Mississippi. Of that event the historian, Bancroft, said:

He traveled across half a continent in search of gold and found nothing more remarkable than his burial place.

Senator GLASS, one of the leading exponents of a gold basis for our currency, recently said in an interview published in the *New York Times*, "There is something more precious in life than gold." We have neglected our great natural resources. We have drained 75,000,000 acres of land.

The subterranean water table in one of our Western States has fallen 57 feet, and they are threatened with ever-recurring droughts. Each year forest fires have burned an area as wide as 10 miles and as long as from Detroit to New York. All our travel, like De Soto, has been in search of gold.

We are unmindful of what Wordsworth said more than 100 years ago:

The world is too much with us; late and soon,
Getting and spending, we lay waste our powers;
Little we see in Nature that is ours;
We have given our hearts away, a sordid boon!
The Sea that bares her bosom to the moon,
The winds will be howling at all hours,
And are now up-gathered, like sleeping flowers;
For this, for everything, we are out of tune.
It moves us not—Great God! I'd rather be
A Pagan suckled in a creed outworn;
So might I, standing on this pleasant lea,
Have glimpses that would make me less forlorn;
Have sight of Proteus rising from the sea,
Or hear old Triton blow his wreathed horn.

Before it is too late, let us preserve the only tropical area of the United States. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I greatly enjoyed the erudite and the beautiful language of the last speaker. I congratulate him most heartily on his delightful description of his love of nature, in which we all share.

I know of no more delightful area in the United States, or possibly in any other country, than the national parks. I am a great believer in them. I have enjoyed exploring quite a few of them, but there is absolutely no resemblance, Mr. Speaker, between the swamp land under discussion here and the National Park System of the United States.

It is unfortunate, I think, that the gentleman from Florida, who, as was stated in the *Record* this morning, flew here last night from a strenuous campaign in which he is indulging in Florida, in order to be here today, has not seen fit to take the floor first to explain wherein this bill differs from those which this House has condemned in the past. The gentleman from New York [Mr. TABER] is absolutely right in saying that the only information we have so far must be the history of this case in the past.

I hold in my hand an account taken from the *New York Times* of February 13, 1931, describing how a Senate investigating committee made a trip to Miami, was entertained at these luxurious hotels of which you have heard a description, and presented a bill of \$3,000 to the United States Senate for the expense of the junket. Here is what was said about it as being a junket into the sunshine of Florida. It lists the names of the Senators who took the trip and says:

The voyage from Miami into the Everglades took 3 nights and the better part of 4 days. A Negro orchestra made up the crew supplying the music. The heavy expense, Senator NRE said, was due to the fact that the yacht also carried a sea-going power boat used for side trips into bayous which the yacht was too large to enter. Other items were hotels, food, incidentals, and railroad fares. It was explained that the committee did not use Government money for blimp rides over Miami and for fishing trips, these being the courtesies extended by the citizens of Florida.

They are a hospitable crowd down there. I have been in Florida, and I happen to have been there at the time this party was on, and the accounts in the Miami papers of the beautiful times the senatorial group were having throughout Miami and the rides they were enjoying in blimps furnished by the Goodyear Rubber Co. were very illuminating as to the merits of this park proposition.

It is absolutely inaccessible to people today and never can be made accessible unless the Federal Government sees fit to expend enormous sums of money to render it so.

Mr. WILCOX rose.

Mr. TREADWAY. Oh, I hope the gentleman will explain this fully in his own time. I shall listen to the gentleman from Florida a little later on, but I decline to yield to him now.

Let me say to the gentleman from Florida, for whom I have the highest admiration, that of course we realize this bill is an extremely important thing in his primary campaign. It was said here 2 years ago that the distinguished

lady Member from Florida was defeated because she was not able to put this bill across and that the gentleman from Palm Beach, Mr. Wilcox, who now favors us with his presence here, was nominated and elected over Mrs. Owen on this campaign issue. As the primary is now on in Florida, we realize it is extremely important that this bill be acted upon tonight in order to allow the gentleman to return to his vigorous campaigning in Florida.

Let me say further in behalf of the gentleman that I do not think, knowing his ability and the high regard in which he is held by his home people—and I happen to know some of his friends intimately—that he needs this, for he can go back to Florida and be elected without it. He may have won out against Mrs. Owen, but he does not need it today, and so why put the Federal Government to such a tremendous expenditure as will eventually be necessary by the establishment of this falsely named "park."

Mr. ROBINSON. Will the gentleman yield?

Mr. TREADWAY. No; I am sorry I cannot yield. We wanted information from that side, and we could not get it. The gentleman from Virginia said that the people could walk into this area. He is mistaken. I have been there, and you would have to swim to get in there, and if you did swim you would be eaten by crocodiles or be bitten by snakes. [Laughter.] I happen to know enough about that locality to make that statement definitely.

Another little matter about its not entailing any expense to the Federal Government. If it is to be without cost to the Federal Government for 5 years, why not let Florida keep it for 5 years? Why put the Federal Government to that expense?

Let us see what was testified as to its being no expense.

Mr. Albright, formerly in charge of the park system, told me—and I put it in the Record 2 years ago—that the very first thing that he would do would be to ask for a million dollars to develop it by building roads, arranging for rangers, and general policing.

Mr. ROBINSON. Will the gentleman yield?

Mr. TREADWAY. No; I cannot yield. Now I want you to see what kind of testimony there was and what is going to be the result if we accept this bill. The gentleman from New York has explained some of it, but we have to go back in history to know anything about it. Nothing has been presented to the House today. Let us see what was said 2 years ago. I am reading from the hearings 2 years ago.

Here is some of the language by Mr. Coe, landscape architect, who was explaining lantern slides. He had some lantern slides and was showing them, and among other things he said—I am quoting from page 69, in which he is describing these slides:

I venture the statement that each of you, when privileged to visit this region will find yourself lifted from the realm of mere realities into a land of enchantment. You cannot tell what this country is like or what it means to you unless you actually see it, and not only see it but literally feel its charm. It is a country distinctly different from anything else in all our great country, if not in the entire world.

Again we have more of these lovely coconut palms, not only beautiful to look upon but yielding abundantly a luscious nut.

It is not the defining of individual forms of life and physical condition that gets you and holds you here altogether; it is rather the spirit of the thing in the final equation that holds you. The appeal is to your heart and arouses in you a deep feeling of wonder and reverence.

In the afternoon, with the waning day, the tropic colors begin to show and the beaches and all about take on another interest. Now, even more than before, you feel that you are surely within the Tropics. From this time of late afternoon until the sun actually sets there is this continually changing panorama of scenic phases until you feel that you are in a heaven of color.

Then he describes the beauty of the place in the evening, when the moon is shining, and that is what gets us young fellows! But let me read here something about the turtles:

You and I will have the privilege of going down on these beaches moonlight nights in the turtle season—

Oh, oh!—

In the turtle season and watch these strange and interesting animals come out of the water, dig holes in the beach sands well up

from the tides and there lay their eggs; 150 or 200 eggs per turtle, a generous number.

Instead of these eggs being collected by the tens of thousands to be sold, we will have many thousands of little turtles hatching out as the result of protecting them.

My Lord, is not that a wonderful proposition! We will get a great crop of little turtles. Why, Mr. Speaker, it is worth a campaign in the Miami-Palm Beach district. For fine language and unadulterated adjectives the witness Coe is a wonder.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. RANSLEY. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. TREADWAY. But here is the essence of the gentleman's testimony from which I am quoting. Of course, it is 2 years after, but I do not suppose nature has changed a whole lot. These turtles will be down there yet; and oh, how I should like to see them in the moonlight coming out! That would be my choice of time. Here is another bit of that testimony:

Incidentally you see in the background snow-capped mountains. Yes; there are actually snow-capped mountains in Florida.

Later on he says:

Our boat swings around into a more quiet spot as we ascend the Shark River. Here we run upon a boat of fishermen. Much of this country of some 2,000 square miles is truly a fisherman's paradise.

The scene smacks of the Tropics and of the jungle land. There are hundreds of miles of shore land and waterways similar to this. One can very easily get lost here in the labyrinth of waterways. The Indians are about the only people who really know these waterways. They go about in their canoes, knowing where to go in and how to get out again. The average white man will very easily get lost here. There are very few even of the older settlers down in this country who dare to go into this section.

Mr. Speaker, I am glad that my friend Mr. Wilcox has no constituents down there in that territory, as, of course, there is no population there except reptiles. We hope this bill will see its death knell before his airplane starts this evening back to his campaign. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I am sorry any partisanship has been injected into this discussion. There is no occasion for it. We should all be interested in protecting the Public Treasury, whether we are Democrats or Republicans. Our objections to the reduction of time to be consumed in debate was necessary to protect the integrity of the committees of this House. In this Congress it has been only because of the vigilance and activity of the Republican minority we have been able to head off the gag rules that were so conspicuous in the last session and which are now happily carefully avoided. Today we felt obliged to fight for the integrity of committees. At the meeting of the Rules Committee, the proponents of the measure sought 2 hours of general debate. That was acceptable to the opposition, and would have given the House full opportunity to learn the merits, if there are any, of this particular legislation. It would also give the opposition an opportunity to voice its views. To reduce the time without a meeting of the committee and without consulting the membership of the committee was manifestly unfair. I am glad some recognition of the injustice is shown by the giving of the additional time.

As to the bill itself, I recall California and Florida for many years have been in dispute as to who gives the Nation the best lemons. That has been the topic of endless newspaper articles. After this bill is passed, if it is, there will be no question as to who has contributed to the United States Government the biggest lemon. It will be Florida, as the taxpayers will learn to their sorrow.

Proponents say there will be no expense to the Government. Everybody should know better than that. This argument should not fool anyone. Do you imagine Florida or any other sovereign State would come to the Federal Government and ask it to take over this great vast territory of land unless it was for the purpose of saddling the expense

of maintaining the property upon the Treasury of the United States? No State would do this except to dodge the cost of development and maintenance. Western States, with their great land reserves under the control of the Federal Government, are now asking the Government that some of the land revert to the States. The request is because the lands are valuable and could pay for their maintenance. You can rest assured Florida would not give up the land except to saddle an enormous expense on the Federal Government.

My good friend from Virginia [Mr. ROBERTSON], a gentleman I hold in high esteem, speaks with the high and lofty motive of game conservation. He says he wants to keep it in its natural state, as it is today. I know he does, but I warn him, eventually they will not let him do it. The advocates say for 5 years there will be no expense to the Government, but any succeeding Congress can change the law and make an appropriation. It can easily be changed once under control of the Federal Government. The argument is advanced: it will be kept to delight the poor people of Massachusetts and other States. If we are going to keep it as it is, I ask, Will the poor people of Massachusetts or those of any State have a chance to view the wonderful scenery of Florida?

Mr. Speaker, my people do not have airplanes, and they certainly do not have many canoes. These are essential to view the swamp lands. I might add the Federal Government has not been so liberal in the distribution of relief funds in the East to enable the poor people from Massachusetts to travel to Florida.

Mr. Speaker, I repeat, this is not a partisan question. The question is whether we are going to protect the Treasury of the United States; whether we are going to stop now, before it is too late, a demand that will cost the Treasury of the United States many millions of dollars before the journey is over. We all know how these enterprises start. They start in an humble way, but they continue to grow and eventually it means an enormous bill. I say we should halt right now the efforts to shift from Florida to the taxpayers of the United States the burden of the care of these lands and the cost of the development which will follow. [Applause.]

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. DEROUEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 2837) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H.R. 2837, the Everglades National Park bill, with Mr. DISNEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. DEROUEN. Mr. Chairman, I yield myself such time as I desire.

I shall attempt to give a brief history of the bill H.R. 2837. I shall not yield for any questions until I have completed my statement.

The present bill was considered by the Committee on the Public Lands after having held extensive hearings. This bill has the endorsement of the Interior Department, the National Park Service, Bureau of Indian Affairs, Geological Survey, Department of Agriculture, Biological Survey, Forest Service, Bureau of Plant Industry, the Smithsonian Institution; it also has the endorsement of the Pennsylvania Park Association of Philadelphia, the American Association of

Park Executives, American Civic Association, American Forestry Association, American Game Association, American Nature Association, American Society of Landscape Architects, American Society of Museums, American Society for the Advancement of Science, Municipal Art Society of New York, Russell Sage Foundation, Campfire Club of America, Society of American Foresters, Garden Club of America, General Federation of Women's Clubs, Izaak Walton League, National Association of Audubon Societies, National Conference on State Parks, National Council of State Garden Clubs Federation, National Park Association, American Museum of Natural History of New York.

I have heard nothing in all the discussion on the rule that had any substance whatever. Most of the speakers opposing the rule spoke at random and ridiculed the merits of the bill and attempted to convince the House that this was a pet measure, political or otherwise. They even brought into the discussion the name of a certain great Democrat. I do not know anything about all those things, but I do know that great precaution was had to bring out the real merits of this bill.

Furthermore, if I recall distinctly, 2 years ago by joint resolution of the House and Senate a committee was appointed. The Secretary of the Interior was directed to make a survey. Let us see who made this survey, notwithstanding all the ridicule that was so unjustly brought in here today.

Mr. BOLTON. Will the gentleman yield?

Mr. DEROUEN. I do not yield. I made the statement that I would not yield until I finished my statement.

Mr. BOLTON. I did not hear the gentleman.

Mr. DEROUEN. The gentlemen who made this investigation and made this report are not interested in politics. They are not interested in giving somebody something for nothing; but, on the contrary, they are very high-class students, and they are as follows: Horace M. Albright; Mr. Ebert K. Burlew, assistant to the Secretary of the Interior; Dr. H. C. Bumpus, member of the educational committee of the National Park Service, official collaborator; Arno B. Cammerer, associate director, National Park Service; Harlan P. Kelsey, conservationist and landscape architect, member of the Appalachian National Park Commission, official collaborator; Roger W. Toll, superintendent Yellowstone National Park, National Park Service; Dr. T. Gilbert Pearson, president of the National Association of Audubon Societies, official collaborator.

This inspection was made by automobile and boat, and the area carefully covered. The bill has the recommendation of this commission which went through there and investigated the entire merits of this bill.

Dr. Bumpus, of Brown University, says in his report:

I want to emphasize three questions: Has this place educational value? Is it worth preserving in its present condition; and in the third place, will it be used?

And he answers every one of them in the affirmative with very substantial reasons. It would take too long for me to explain all of the remarks made by him.

He says further:

I agree thoroughly with Mr. Albright when he says in regard to the costs, "it is a park that will be comparatively inexpensive, so far as its maintenance is concerned, and also very inexpensive so far as its protection is concerned." It will require but few rangers, probably only two.

Now, let us see what is suggested in this bill. The Park Service proposes to take care of these Seminole Indians who are in there. They will be placed in this area and will be given employment as guides. Certainly, I think you know that today they are a charge on the public; so, by passing this bill we are placing them in a home, and in a position to live there where they should live. We believe they should be in there.

It is our purpose to preserve this area in its primitive state. Much has been said about roads. Let me tell you, the road in question is built. It was built by the C.C.C. We do not need any road. On the contrary, we do not want this place to be built up with roads so that it will destroy the very purpose of this act.

Let us see further. Some gentlemen spoke about snakes, crawfish, crocodiles, and very clearly selected, as a lawyer would, such passages as he wants to make a case, but they did not read the entire report. Those statements are incorrect and not in accord with the facts as developed in the hearings. It was also brought out that the idea of preserving this area in its primitive state was unprecedented. Let us see if this is so. Among other national parks where primitive conditions have been preserved I call attention to the Glacier National Park and to the Yellowstone National Park. The only development of the park to be established by the pending bill will be along the northern boundary of the area; and the bill provides that this development will be made by donations to the United States without any cost to the United States.

In order to dispel any remaining doubt as to cost to the United States Government, I call attention to the fact that the committee added a very unusual amendment to this bill, language which is not found in any other park bill, the proviso—

That the United States shall not expend any public moneys for the administration, protection, or development of the aforesaid park within the period of 5 years from the date of the approval of this act.

Such language is not found in any previous park legislation.

It was further stated that at some future time appropriations would be asked. There are many old Members present. I ask them if they recall any instance where after the passage of similar legislation its authors have come back and asked for and obtained plenty of money from the United States? I do not believe they know of any such instance.

The park system is a source of revenue. In the last year or so revenue from the Park Service amounted to \$1,000,000. This revenue has been reduced to \$700,000.

Very little improvement is needed in this park, because, as I said before, the roads have been built and their maintenance will be small. There will not be so much need of roads because the Indians will take visitors around in boats. The maintenance of this park will be inexpensive in every instance.

The gentleman from New York said something about snakes. Dr. Kelsey, in his testimony, as appears on page 45 of the hearings, said:

There is no other area in this country devoted to a national park like this one. It is totally different in land, water, climate, plant, animal features, as well as recreational features. It is very remarkable as being the only land in America that is in the making.

This gentleman has no selfish interest in the matter.

This proposition has been investigated by authorities on rivers, harbors, and parks, by men who wish to preserve this area for the welfare of the people.

I could cite many statements in rebuttal, taking them at random. I have cited merely a few in order to convince you how easy it is to confuse the issue by criticizing a bill at random. It is easy to criticize; it is easy to ridicule. I assure you, however, that the interests of the Government are protected and that there is no danger that this park will cost the United States any money whatever.

The bill is an important enabling act which will assure protection to the superlative fauna and flora of the Everglades, so outstanding in quality and beauty as to demand their preservation intact. This bill constitutes an important conservation measure and should be passed immediately or else despoliation of the area is sure to continue. I hope the bill is passed today.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I am very much interested in the national park system of this country. I think I have supported every bill that has come before Congress in the last 16 years providing for so-called "national parks"; but at the present time our country is confronted with a rather critical situation. We are faced with a quite different condition than we have had in the past.

I am somewhat familiar with this area which it is now proposed to make into a national park. It comprises 1,300,000 acres, very largely of a swampy character. It is the testimony of the experts who have been there that this area is not accessible; that it is of no use for agricultural purposes. The State of Florida already owns 325,000 acres of this land. The very character of this area is such that it is not going to run away; it is going to stay right there; it is not going to be disturbed; it is not going to be impinged upon as an area of great national interest.

In the State of New York we are interested in parks and have established many of them. Within a 2 hours' automobile drive from my home is a State park of some 65,000 acres. Right across the line in Pennsylvania is another State reservation of over a million acres. The State of New York has laid out a program so that throughout the length and breadth of the State we have State parks supported by the State. These parks have been developed for the use of the people. We have parks where the humblest workingman can go with his family and have a cottage. The user of these parks has all the facilities necessary to enjoy life in the open, and the State takes care of it all. In the 65,000-acre park to which I have referred it is not at all uncommon for several hundred persons to be camping at one time. The persons who use these parks are not wealthy. These parks are accessible to the man of ordinary means, the person who likes to get some recreation in the out of doors at a nominal expense. This is true also in various parts of our State.

The State of Michigan, I understand, is developing a system of State parks. A gentleman was here the other day from the State of Ohio. He made the statement that the State of Ohio was developing a similar system of State parks—large areas where the common people can enjoy themselves and find recreation.

The State of Florida already owns 325,000 acres of land similar to that referred to in the pending bill. Florida is a great pleasure resort. Many wealthy people from the North go there every winter, staying months at a time, spending large sums of money. If they want to hire a motor boat and go through these areas, of course, they can do it; but the ordinary man could not afford it. For this area to be opened and made available and accessible, it would be necessary to build plank walks all through the territory, and these are liable to be destroyed by hurricanes and floods, the testimony shows.

I realize, too, that this is a great snake country. A great snake industry is being built in that country. They are canning rattlesnake meat. There rattlesnakes grow to great dimensions, some of them weighing as much as 40 pounds.

You can go over to some stores in the city of Washington and buy rattlesnake meat. They are putting out rattlesnake meat, and some people like it.

Mr. WILLFORD. Will the gentleman yield?

Mr. REED of New York. I have not eaten any of it and I do not want to, but they are developing that line.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. WILLFORD. I just wanted to see one of these 40-pound rattlesnakes.

Mr. REED of New York. I am not interested in snakes. I do not want them around. I would not be very much interested in going through the Everglades, and would not want my family to go down there with a canoe floating around among the alligators. If the State of Florida wants a park, it already owns 325,000 acres. It can buy another million acres for \$1 an acre if it wants to, and there is no reason for coming to the Federal Government at this time and starting to draw upon the Treasury. They say this is not going to cost anything for 5 years. According to the evidence here, under the Public Works program there has already been spent \$18,000,000 in Florida. We all know that if this bill passes, money will be allocated to begin more projects, using money in the Treasury appropriated for relief work to carry on further public works in this park.

May I say that we are facing a time when nobody knows just what conditions are going to be 3, 4, or 5 years from now. This park is not going to run away, and it is not going to be disturbed. If the country gets back to a state of prosperity where it wants to squander money on a project of this kind, which does not mean a thing to the ordinary person, well and good, perhaps it may go through at that time. But I think the time has come to call a halt to these commitments until we know when we are coming out of this depression. We are not out of it yet. The testimony and the official reports show that there are more people on the relief rolls today than there were a year ago or a year and a half ago, and there are going to be more on the relief rolls 6 months from now. We want to stop these commitments. This is no time to bring in a bill of this character to commit the Federal Government to large future expenditures. A fire is not going to sweep over these swamps and they will remain there intact.

Mr. McDUFFIE. Will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Alabama.

Mr. McDUFFIE. Apropos of what the gentleman says about conditions in the country, the New York Times states today that we have in this country now a curtailment of unemployment from about 13,000,000 to 7,000,000 plus. There is an analysis of these figures in today's Times.

Mr. REED of New York. That is not in accordance with the statements of officials of the administration as to unemployment. I referred to the number of persons on the relief rolls.

[Here the gavel fell.]

Mr. DEBOUEN. Mr. Chairman, I yield 9 minutes to the gentleman from Florida [Mr. WILCOX].

Mr. WILCOX. Mr. Chairman, I regret very much that this measure has taken on the aspect of a partisan, political dispute. The establishment of the Everglades National Park is not a political matter nor a local measure to Florida. It is a matter of great national importance.

In this particular section of Florida there is located a section of the country that is unique. It is the only section of continental United States of the character existing in this particular section. Here is located the only natural tropical growth in continental United States. In this section certain species of bird and animal life are staging their last stand. They are rapidly becoming extinct. Among these species are the pink flamingo and other species of bird life.

Some people have a morbid desire to bag the last of its kind. It happens during the winter months a great many times we have visitors who have the curiosity and the desire to go out into this section and bag one of the last pink flamingos or one of these other rare species of bird life. Unless they are protected, not only Florida but the world will lose these rapidly disappearing species of bird and animal life. They are staging their last stand in this particular spot, and it is the only section of the world where they exist.

This particular spot is the only section in continental United States that has a natural tropical growth. The only growth of Royal Palms in the United States and, in fact, the only growth in the world of a certain species of the Royal Palm, exists in this particular spot. These growths are being rapidly exploited by commercial interests. Millionaires are going into this area, digging up these Royal Palms and rare specimens, moving them out and planting them on their private estates, so that the public in a very short time will completely lose the only growth of tropical palms existing in continental United States.

We have many national parks in this country, principally located in the mountain sections. We heartily favor those, but after all, Mr. Chairman, mountain scenery is largely similar to other mountain scenery. This park, however, is unique and distinctive. It differs from any other national-park area in the country, and I think it is necessary to preserve and protect it for future generations in order that we may have all kinds of primitive areas preserved for the future generations.

When the bill is brought up for reading under the 5-minute rule we propose to offer the following amendment:

Said area or areas shall be permanent preserved as a wilderness and no development of the project or plan for the entertainment of visitors shall be undertaken which will interfere with the preservation intact of the unique flora and fauna and the essential primitive natural conditions now prevailing in this area.

We propose to offer that as an amendment because we are just as anxious to preserve this area in its primitive state as any of the naturalists or scientists are.

A great many wild statements have been made as to the cost of the development of this area. Of course, I have no way of preventing any gentleman from making such a wild and unreasonable and unfounded statement as was made a few moments ago, that the cost of building roads in this area would be \$700,000, or three quarters of a million dollars a mile. I do not know what the gentleman thought he could use for materials to build roads that would cost that much. In all fairness to him and for the information of the House, let me say that road building in this particular area is the cheapest of anywhere in the United States. The natural road material is the foundation of the country. Coral rock, a soft limestone rock, is the basis for that entire section, and in road building all that is necessary to be done is to take a dipper dredge and go along the proposed roadway dipping up the road material from the side, dumping it in front of the dredge, and tamping it down as it goes along, and you have a cement road when you are through. The only cost in the building of roads in this section is the cost of labor. The materials are at hand, there is no hauling, and there is no cost for anything in the world except labor.

There has also been an attempt made to laugh this project out of court. I have no objection to my Republican friends having all the fun they want, but they seem to have enjoyed themselves talking about the alligators and the snakes in this area.

Possibly I should not dignify this argument with a reply, but let me say this: While this bill has been discussed before, it has never been brought to a vote on the floor of the House, but our Republican brethren have insisted always on referring to this project as a snake-infested area. In order to confirm my own opinion, and I live in this section—I represent the district where this park is located, and I have been over this territory and I know about it, but I wanted to confirm my own opinion and my own observation by word from an expert authority. I talked to Dr. Raymond Ditmars, the curator of the New York Zoological Park, recognized as an outstanding authority of the world on reptiles. I asked him about the number of snakes in this proposed area, and he said:

Mr. WILCOX—

We were then in New York City—

within 30 miles of the spot where you and I are now standing I will find you from three to five times as many snakes per square mile as you can find in all the Everglades.

Mr. Ditmars wrote me a letter confirming this, and I want to read just one paragraph:

A question has arisen about this area being snake infested. This allegation undoubtedly comes from those not well versed in such matters. From experiences in collecting in Florida—

Collecting snakes, he means—

I can say there is no indication that there are more snakes in southern Florida than in many of the other areas of that State or the mountain areas of the West or parts of New York, Pennsylvania, and New Jersey. That such an allegation should hold back the preservation of one of the few remaining undisturbed and primitive areas, unique in its tropical character, seems unfortunate, unreasonable, and ridiculous.

This statement comes from Dr. Raymond Ditmars, one of the outstanding authorities on reptiles in the world.

As illustrative of the impressions obtained by visitors to this region, I should like to quote the following letter which I received a short time ago from Maj. Robert Fechner, Director of Federal Emergency Conservation Work. Major Fechner had occasion to visit this region in connection with his work, and upon his return to Washington, voluntarily

and entirely without solicitation on my part, wrote me this letter:

EMERGENCY CONSERVATION WORK,
OFFICE OF THE DIRECTOR,
Washington, D.C., February 9, 1934.

HON. J. MARK WILCOX,

House of Representatives, Washington, D.C.

DEAR CONGRESSMAN WILCOX: Recently I made an inspection trip to a number of our C.C.C. camps in the Fourth Corps Area, and among these camps were several in your district.

Through the courtesy of the Coast Guard commander in Miami, I had the opportunity of going in one of the Coast Guard airplanes over much of the territory which it is proposed to include in a national-park area to be known as the Everglades National Park.

I was surprised and delighted at the things that I saw and learned on this trip. Undoubtedly there is no similar area anywhere in the continental United States. It seems to me that the Federal Government should set up the proposed park and develop it for the pleasure and benefit of future generations.

I was told by competent authority that it would be possible to construct roads at reasonable expense that would give access to almost every part of the proposed park, and that existing waterways were ample to accommodate countless motor boats and other small vessels for those who desire to visit the region by that mode of transportation.

The wild life of this region cannot be duplicated anywhere else in this country and it can only be properly cared for and preserved by the creation of a national park.

We are already doing some work with a C.C.C. camp on Royal Palm Park, which is a State enterprise, but I understand would be the main entry to a national park if it was created.

Because of the personal experience that I had just recently in viewing this area, I thought I would be justified in writing you about it.

Sincerely yours,

ROBERT FECHNER, Director.

I have already referred to the endorsement, or rather the favorable recommendation, of the Secretary of the Interior for this project. I am sure that the following letter which I received from the Director of the National Parks Service, Mr. Arno B. Cammerer, will be of interest to the Membership of the House:

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF NATIONAL PARKS, BUILDINGS, AND RESERVATIONS,
Washington, February 6, 1934.

HON. J. MARK WILCOX,

House of Representatives.

MY DEAR MR. WILCOX: During our chat the other day you asked me to write you a letter giving you briefly my opinion as to the importance of the Everglades National Park project to the Nation.

The Secretary of the Interior's report, dated December 3, 1930, which was incorporated in H.R. 268, Seventy-third Congress, first session, was prepared by me, and I stand unqualifiedly behind it. I attach a copy, on page 7 of which you will note that I was a member of the investigating committee.

It is my firm conviction, which has been amply verified by other investigators, that this area is one of the most remarkable primitive areas still available for national-park creation. The tremendous spectacles of bird life, according to those who are best acquainted with the region, cannot be matched anywhere in the United States and offer possibilities of being greatly enlarged by proper protection, which would be given if and when it had national-park status. The other wild life and floral exhibits are unique and coupled with the enormous expanse of marine growth and other biological attributes make this area unmatched anywhere else in the world. The great water expanses offer unexcelled opportunities for boat travel and the enjoyment of the aquatic features, thereby also reducing the possibilities of road construction to a minimum.

The area meets the standards established for national parks, and I sincerely trust that the congressional stamp of approval will be given to its passage in the House at an early date.

Sincerely yours,

ARNO B. CAMMERER, Director.

It seems to me that the expressions of the Secretary of the Interior, the Director of National Parks, and the Director of Emergency Conservation Work, none of whom have any personal interest in the project and all of whom are vitally interested in establishing national parks only of the high standard already set, should leave little doubt as to not only the desirability, but the necessity as well, of the park.

There are many species of animal and bird life in this section that are rapidly becoming extinct and which in a few more years will completely disappear unless protected. This animal and bird life can and will be preserved by the creation of this national park.

Not only does this proposed park have the whole-hearted approval of the Interior Department and of the Public

Lands Committee of the House, but it likewise has the approval of the Senate. That body has on two occasions passed the bill, and it remains only for the House to pass it for the park to become an established fact.

Not only has this project received the support and endorsement of those who are directly charged with the duty and responsibility of selecting national-park areas which have a real and lasting national interest, but it has also been approved and urged by others whose interest in the future welfare of the Nation cannot be questioned.

Mr. Henry Fairfield Osborne, of the American Museum of Natural History, said, in writing of the proposed Everglades National Park:

It would be a place for posterity to visit and witness those forms of life now so rapidly vanishing.

Mr. Gilbert H. Grosvenor, of the National Geographic Society, has said: "The area would be visited by millions", if established as a national park.

And, finally, President Roosevelt, while he was still Governor of the State of New York, said:

I am glad that the Everglades National Park project is getting on so well. I can tell you that, knowing this country at first-hand, I am very hopeful that it can be preserved for the Nation for all time.

Time and the patience of the House forbid my reading the endorsements of all the scientists, naturalists, and public-spirited men from every walk of life and every section of the country, who have endorsed this project and who are enthusiastically urging its passage. Hon. Horace M. Albright, former Director of United States National Parks; Dr. C. H. Marvin, president of George Washington University; Dr. Raymond L. Ditmars, scientist and curator of the New York Zoological Park; and numerous other men of like caliber and standing have given the project their unqualified and enthusiastic support.

Now, as to the cost of the park. I would not be entirely fair with you if I did not admit that one of the things we hope will come from this is the attraction of tourists to our State. I expect it will attract additional tourists, but we do not anticipate, and we do not intend to ask, any expenditure of Government funds beyond the supervision and maintenance of this park and to put it in such a condition that the public may be able to view it.

I have already discussed with you the cost of road building. With the amendment which I propose to offer at the appropriate time, that is the only cost that can possibly come from the acquisition of this territory by the Federal Government.

In conclusion, Mr. Chairman and gentlemen, let me request you to do this. This is the one and only spot in this country of its character, and let me ask you and let me beg you to consider this matter not as a partisan political question. The gentleman has referred to its effect upon my own political fortunes. Let me say that the passage or the failure of passage of this bill will have absolutely no effect on my own political fortunes. It was not, I may say to the gentleman from Massachusetts [Mr. TREADWAY], the issue in my former campaign. Let me ask the Committee to consider this not as a local measure restricted to Florida but let me ask you rather to regard this as a measure for the preservation for future generations of a unique territory where our children and our children's children may have preserved for them a tropical area, the like of which does not exist anywhere else in continental United States. [Applause.]

MR. ENGLEBRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

MR. RICH. Mr. Chairman and Members of the Committee, having been appointed a member of the Committee on the Public Lands this session of Congress, I was quite surprised to learn that this bill was coming before the House at this session, because it has not been acted upon during the year 1934, and, as stated by the chairman of the committee, it was reported out in June 1933.

The only reference we have had to it from the Secretary of the Interior, under whose jurisdiction this park would be administered, the only statement made in reference to it

comes from the Acting Secretary of the Interior, Oscar L. Chapman, and bears date of June 12, 1933. I quote from his statement:

The purpose of this bill is to provide for the establishment as a national park, without cost to the United States, of an area in the Everglades region of Florida, which Congress directed be investigated and reported on by the Secretary of the Interior by the act of March 1, 1929 (45 Stat. 1443). Pursuant to that act an inspection and detailed examination of the area was made in February 1930 on behalf of the Secretary of the Interior by officials of the National Park Service, assisted by several eminent park experts acting as collaborators, and the area was found to measure up to the standards set for national parks. Full details of this inspection and the recommendations made pursuant thereto were covered by report of the Secretary of the Interior under date of December 3, 1930, as directed by the act of March 1, 1929.

This proposed legislation has been considered by the Director of the Bureau of the Budget, and I am advised by him that it would not be in conflict with the financial program of the President if there be added at the end of section 3 of the bill a proviso to the following effect: "And provided further, That the United States shall not expend any public moneys for the administration, protection, or development of the aforesaid park within a period of 5 years from the date of approval of this act."

Now, I want to dwell particularly on the last statement made by the Bureau of the Budget that the President would not have any objection if there is to be no expenditure of public funds.

We have heard the gentleman from Florida [Mr. WILCOX], who is very much interested in this bill, tell of the advantages of parks of this kind. It is true, probably, that it would be somewhat different from any park in the United States. He made the statement that it would not cost the Government any additional appropriation. But when he concluded his statement he said that we only want the Federal Government to maintain the park and to make necessary developments in order that the people may have an opportunity to come there and visit this area.

Now, the point I want to make—and I want to emphasize it all that I can—is the fact that we are today legislating on the assumption and belief that the park is not going to cost the Federal Government any additional funds. You know and I know that is not the case. I have heard many statements made in regard to national parks in the United States, that it was not going to cost the taxpayers any money. There is not a national park that we have established, when the statement was made that the development of the property was not going to cost the Federal Government any additional funds, but what has cost the taxpayers of the country thousands and millions of dollars.

Mr. DEROUEN. Will the gentleman yield?

Mr. RICH. I will yield to the chairman of the committee.

Mr. DEROUEN. I think the gentleman is inadvertently mistaken. There is one park in the United States where the revenue produced is more than the expense, and that is the national park in New Mexico.

Mr. RICH. I hope that if I make any misstatements I will stand corrected. I accept the statement of the gentleman from Louisiana. I would not intentionally make a misstatement.

Mr. TREADWAY. Will the gentleman yield to me for a statement?

Mr. RICH. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Is not it a fact that most of the expenditures in these parks, in a great measure, have been to make them accessible to the people of the country to enjoy those parks, and how could any Federal money be used in this area to make it accessible to the people of the country in the same way that the National Park System has been developed?

Mr. RICH. I will say that this park cannot be made accessible to the people without a large expenditure of Federal funds. And every Representative in Congress knows that, regardless of any statement made to the contrary.

It was utterly impossible to do it. Take the instance of the Smoky Mountain Park in Tennessee. That park was given to the Federal Government by the State of Tennessee and by individual contributions. A gentleman from the Department of the Interior was before our committee a

short time ago and he told us that the Federal Government at the present time is getting ready to spend \$15,000,000 on that park. When it was given to the Federal Government we were told that the Government would not need to spend any money for its development. Yet this year we are going to spend \$15,000,000 in the development of that park.

A great many things have been said here today in regard to this being a political measure. I do not want in any way to detract from any statement that might have been made that this is a political measure if someone wishes to make such a statement, but I am thinking solely of the taxpayers of my district, who are going to be called upon to develop this property.

I am thinking today of the men who are interested in trying to get jobs. I think that we should be devoting our energies today in helping the men who are trying to get jobs, who want to make a livelihood. I think we are doing the wrong thing by bringing up a proposal of this kind at this time and taking up the time of the House when we have important legislation that should be enacted. We should not take the time that is so valuable to the country to talk about a park which people tell us will not cost any money when we know that it will. I have my doubt about the sincerity of any man who will stand up here and say it is not going to cost any money. Eventually it will cost money, and these gentlemen know it. We should not enact a bill of this kind into law when we know it is contrary to the best interest of the country. I doubt very much if anyone can get the President of the United States to say that he is in favor of the development of this park at this time. I think the President would object to the development of the park now.

Mr. WILCOX. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. WILCOX. Has the gentleman had occasion to read the statement issued by the President of the United States when he was Governor of the State of New York in which he expressed his entire approval of this measure and the hope that it would pass this House?

Mr. RICH. I might say to the gentleman that the President of the United States might have made a statement 4 years ago or longer that would not apply to the situation today, because the situation today is as different from what it was then as day is from night.

You cannot say that because he might have favored a proposal of this kind 5 years ago that he would want it today, when turmoil is raging in this country with strikes and riots. Out in the city of Minneapolis yesterday blood flowed, and men are grasping at a chance to earn a livelihood.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. RICH. There are strikes in the city of Toledo where the militia has been called out; and men were kept in plants because of the strikes and distress that exist in that particular city. Men are striving for jobs, to earn a livelihood and we here are going to develop something that is not going to help one iota in that respect. We ought to help men get jobs so that they may earn a livelihood. If by our action we could give confidence to industry so they could employ people, we would do something worth while.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. BOYLAN. Does the gentleman know that one of his colleagues was engaged in this trouble in Minnesota and that he has been fined \$50 and sent to jail for 30 days?

Mr. RICH. I want to say that the same colleague the gentleman refers to has been arrested six or seven times since he has been a Member of this Congress. I think any Member of Congress, regardless of who he is, who goes out and tries to foster strife, after he has been elected by his people to come here and attend to his duties, is not doing what his constituents want him to do. In fact, such Members who subject themselves to arrest for alleged offenses in violation of the law should not be elected to Congress.

Mr. BLANCHARD. Mr. Chairman, will the gentleman yield for a question on the park?

Mr. RICH. Yes. I yield to the gentleman from Wisconsin.

Mr. BLANCHARD. I take it the gentleman's argument is not against the national-park system generally, nor about this particular area at some other time when we can finance it.

Mr. RICH. I think we ought to postpone the day. I think we should not give our attention to this particular measure at this time. If it is as good as our friend and colleague from Florida says it is, if it has the prospects of being such a fine place, why does the State of Florida want to hand it over to the taxpayers of Pennsylvania and of the other States to finance in the future? I cannot for the life of me see how any man can stand up here and make an argument of that kind. I have always been under the impression that when you are offered something for nothing you should not take it. Whenever you are offered a gift horse you should look him in the mouth, because he is going to require food, and that will cost you money before you get through with it. I hope this House will not enact this bill into law today. I hope you Members of Congress who are representing your taxpayers will give consideration to this, and that you will say today that you are not going to vote for the Everglades Park, because it is something that can await some future time to be considered. You will do your country a real service if you do not enact this bill into law today. You will do your country an injustice if you do enact it into law. If you will say to your constituents it will not cost anything, I doubt the truth of the statement. I would not say it will not cost the taxpayers anything, for I am certain that it will cost this country millions of dollars in years to come.

Mr. BANKHEAD. Will the gentleman yield?

Mr. RICH. I want to conclude in just a moment. I want to state that I am in sympathy with wild life, as stated by my colleague from Virginia, who spoke very intelligently for this bill a while ago. I am in sympathy with trying to develop the parks. I am in sympathy with trying to have parks where the people of this country can enjoy something that will be different, but I think we should be careful that we are not doing something that we will rue at some future date. I hope you will postpone action on this bill until some appropriate time when we can give consideration to the people in Florida if they want this developed. I think this is an inopportune time to enact this bill.

Mr. BANKHEAD. Will the gentleman yield?

Mr. RICH. I yield.

Mr. BANKHEAD. Would the gentleman be willing to see Cook National Forest in Pennsylvania abolished?

Mr. RICH. It would not make any difference what national forest we were trying to inculcate into a park at this time. I have had many questions similar to the one which the gentleman from Alabama has asked me, as if I were going to stand here and ask for something for Pennsylvania that I would not want to give to the gentleman from Florida. I make this statement to you and to every other Member of this House; I am not here trying to do something for my State that I would not do for the gentleman's State, if I thought it was worth while. I think that is a wrong implication that the gentleman or anybody else should give by asking a question of that kind. I want you to know I will not do some things that professional politicians sometimes would do, and I hope I shall not be placed in that class.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RICH] has again expired.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I do not wish to get into any further argument in relation to this bill. I think it is pretty well understood how I feel about it, but the gentleman from Florida [Mr. WILCOX], at the conclusion of his able address, said it had not been a factor in his

campaign. In view of that remark, I want to read two telegrams to the House. This is dated Miami, Fla., June 7, 1932, and it is addressed to me. It reads:

It would greatly assist me if you would send me a telegram stating whether or not you feel that Everglades Park bill has been loyally and effectively handled by me. The suggestion that the filibustering against the bill in the House had been due to the fact that the Members disliked me personally and did not wish to pass any bill bearing my name has been very damaging to me. Will appreciate your assistance in setting this straight.

RUTH BRYAN OWEN.

My answer was as follows:

While I have personally opposed Everglades Park bill, I have done so for what appeared to me at the time to be proper objections to the policy of the establishment of such a park and because of expense eventually involved on Federal Government. In my opinion, you have worked zealously and faithfully for passage of bill, and its failure of passage certainly cannot be regarded as casting any criticism upon your labors in its behalf or upon your personality as Member of House. As member opposite party, I am glad to testify to your high standing with your colleagues.

ALLEN T. TREADWAY.

Mr. WILCOX. Will the gentleman yield?

Mr. TREADWAY. I will be glad to, if I have the time.

Mr. WILCOX. That was not a telegram signed by me? There was no statement made by me?

Mr. TREADWAY. No; but the gentleman said it had nothing to do with his campaign. The gentleman's opponent seemed to think it did have.

[Here the gavel fell.]

Mr. DEROUEN. Mr. Chairman, I yield the remainder of my time, 8 minutes, to the gentleman from Iowa [Mr. WILLFORD].

Mr. WILLFORD. Mr. Chairman, I have listened to this argument today, and it seems to me it has come to a sorry state of affairs when men elected to Congress to represent their districts will come here and, over such petty things, attack one of our most lovable Members. I never had the privilege of meeting the gentleman from Florida until last year. I think it is a sad state of affairs when partisan politics have to be injected into such a situation. I am going to speak to you men. I have never spoken to you before, but I am going to talk to you in a good old Dutch way. I think it is a crime.

When this bill was brought before our committee we listened to some of the most able men in the world today, interested in the great out-of-doors, and they were honest and conscientious. The question was raised, "Who will oppose this bill?" I said, "Men, I do not believe there will be a man opposed to it. I do not see how they could. It is so humane. It is one time where we can all agree, when one of the great States wants to give to the United States something that can be preserved for all time, for our children and our children's children." I think the greatest monument you can build is to put up something that your children and your children's children can look back upon and say, "My parent or some relative of mine had something to do with this."

I have heard Members rant and rave about snakes and alligators, and one gentleman mentioned a 40-pound rattlesnake. Such asinine remarks as that to an intelligent audience! A 40-pound rattlesnake! I am very familiar with the out-of-doors. I have slept out-of-doors probably more often than any man in this House and I have failed to see a 40-pound rattlesnake.

Mr. HENNEY. But the gentleman does not drink, does he?

Mr. WILLFORD. The gentleman does not drink, except on special occasions. If I could get a drink of something that would make me see 40-pound rattlesnakes, I believe I would take two drinks.

Today we have the opportunity to preserve for all time the only spot of its kind left on the American continent. There is nothing else like it. The people of the State in which this area is located want to give the area to it. All they ask is that we give them the right to give it to us and that we accept it. I heard Dr. Cammerer, of the Park Service, and all the other great and eminent scientists who

appeared before the committee. I have read the writings of men who have walked and traveled this area, who know its animals, its birds, its flowers, and its trees. One does not have to swim to get through this proposed park.

We read in the papers today of serious trouble in Minneapolis, Cleveland, and other industrial centers. The one act of ours which will go farthest toward allaying such disturbances is that which gives our children and our children's children and ourselves clean places in which to play. God never created a counterfeit, nor did man create counterfeit until after he had surrounded himself with four walls. We have heard counterfeit argument against this park in this Hall today. Let us be honest with one another; let us be honest with our children, those who are to follow us.

Members rise on the floor and cry that it is going to cost money. Well, my God, it is worth some money. You men over there have spent millions of dollars, but today you have not a dime to show for it. We have seen men in this fair country of ours arrogate unto themselves self-appointed power and through its abuse get their arms into the money coffers clear up to their elbows.

By the simple act of passing this bill we can preserve this area for all posterity. It is said to be not available without roads. It is a place where we do not want roads; it is accessible by water; most of the area can be traveled by boat. If when traveling in the Superior National Forest or even in the Yellowstone National Park, you want to get to a great many of the places of interest you must put your pack on your back and go it alone with your guide. So it will be with the Everglades National Park.

I have never had the privilege of seeing the Everglades; I have never been in the South. My playground has been in the North and the Northwest. But I look forward to the time when I shall visit the subtropical area of our country. I believe in seeing America first. Men spend much money and travel great distances to go to the Continent, to South America, to Africa, to get into the Tropics, yet we have semitropical lands right in our own country. Let us see America first; let us preserve these things and enjoy them.

Mr. LEHR. Mr. Chairman, will the gentleman yield?

Mr. WILLFORD. I yield.

Mr. LEHR. Would the gentleman want his children to spend their time in the Everglades?

Mr. WILLFORD. I look forward to the time when I myself can see the Everglades and when my children can. I would send my children to any place where they can see nature unadulterated.

Mr. LEHR. If the gentleman knew the Everglades, I do not think he would feel so enthusiastic about them.

Mr. WILLFORD. I want to see them, and I am going to see them.

I have spent much of my time in the great outdoors; I have slept under the stars at night and never have seen a counterfeit. I did not know there was any until I visited Washington. [Laughter.] This reminds me of the man who said: "The more I see of men the more I think of my dog" [laughter]; and when I listened to some of the asinine statements made in derogation of this bill I was not impressed with their soundness. I did not like it when the attack was made on one of our colleagues. Frankly, I wonder if a Republican is trying to beat him. If such be the case, let the race be a fair one, and if the Republican wins, we will shake his hand. Let us come out in the open, let us fight in the open, let us see things as they are, let us not present counterfeit arguments. Let us do something which will leave to our children a heritage of which they will be proud. Let us get away from personalities. I do not think, I do not want to think, I will not think, that the Members who have said the derogatory things we have heard on this floor today really meant them. I am in favor of all national parks, even though they do cost money. I have visited only the parks of the West and the North. Of these I am very proud, and I look forward with great anticipation to the time when I shall be able to visit the Ever-

glades National Park, and I shall take with me not only my children but my grandchildren. [Applause.]

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. McFADDEN] the remainder of my time.

Mr. McFADDEN. Mr. Chairman, I am enticed to make the few remarks I am going to make because of certain phases of this discussion which took place at the opening.

We have enmeshed in this legislation, apparently, two of the greatest speculators in the United States. Henry L. Doherty, who fleeced the American people out of millions of dollars and who kept for himself a minimum of probably \$200,000,000, we find very much interested, because of the fact that he has invested a lot of the money he fleeced out of the American investing public now invested in hotels in Florida, such as the Miami-Biltmore, and others. Some of the finest hotels in Florida are owned by Henry L. Doherty. Of course he is interested in the development of Florida. He is for this bill because of the fact that he wants to gain further popularity, not only with the administration but with the public; and for this same reason he is financing our Embassy in Sweden, where his daughter, who has just been presented to the King and Queen of England, is secretary of this Embassy.

We all know the fact that the former Congresswoman from Florida, Mrs. Ruth Bryan Owen, who is the Ambassador, has been intensely interested in the passage of this resolution. It is generally understood that Mr. Doherty made it possible, through the association of his daughter with the Embassy, for Mrs. Owen's acceptance of this assignment. So not only is Mr. Doherty interested to promote the value of his investments in Florida but to enhance his standing and favor with the administration. And may I say to the House here and now that which I have said in a more mild form in the past, when I have been trying to get this administration and this House to investigate Henry L. Doherty's affairs, so that the people of the country could know whether or not he has paid his proper taxes to the Government of the United States and whether or not the Federal Trade Commission, who are now checking over his reports, have done their full duty, and whether or not the administration is protecting Mr. Doherty—that the administration and this House are protecting H. L. Doherty from all harm.

I have previously called attention to the fact that Mr. Doherty is the major domo of this administration on entertainment. He not only carried on the birthday party for the President but recently presented a check of the proceeds to the President at the White House for over \$1,000,000 to the Warm Springs Foundation fund, and his own employees were commanded last week to stage a series of birthday parties for him throughout the country. This was done. We find him as the major domo of entertainment in Washington, where he maintains a club, in which men with political influence who can help him in this manipulation may meet, have a social evening, and make winnings at that point, and thus be made his friend and protector against any Government interference.

Barron Collier, another prominent Democrat, one of the leading speculators in real estate in Florida, now in the hands of his creditors, who bought extensively during the boom days in Florida, is another man who will be benefited if this bill goes through and the Government of the United States will promote these two undertakings for the benefit of these two great speculators.

I would not believe that this administration would protect Henry L. Doherty to the extent that they are protecting him, and when I say that I say it advisedly, because the Rules Committee of this House has been persuaded, in spite of the demands made upon them, to protect this man by not reporting out an investigation of his affairs. He is so clearly enmeshed, as is Barron Collier, in this situation that certainly this Congress is not going to cooperate with the

administration and now expend real money for the benefit and profit of these two gentlemen. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Sec. 2. The Secretary of the Interior is hereby authorized, in his discretion and upon submission of evidence of title satisfactory to him, to accept on behalf of the United States title to the lands referred to in the previous section hereof as may be deemed by him necessary or desirable for national-park purposes: *Provided*, That no land for said park shall be accepted until exclusive jurisdiction over the entire park area, in form satisfactory to the Secretary of the Interior, shall have been ceded by the State of Florida to the United States.

With the following committee amendment:

On page 2, line 13, strike out "national-park" and insert in lieu thereof "national-park."

Mr. OLIVER of New York. Mr. Chairman, I have listened to the gentleman from Pennsylvania speak of the influences that are seeking to have this bill enacted. I would deplore any unfortunate influence from those who might profit. The people of America will profit most. I must disregard the address of the gentleman from Pennsylvania on this bill because of his mania against the gentlemen whom he has mentioned in his speech.

My motive and purpose in voting for this bill comes from a relationship with a neighbor, a man who lived next door to me for 30 years, a splendid gentleman and friend, and one of the greatest scientists in the United States, Dr. John Small. Every year he lives down in the Everglades. He is a noted botanist, a great writer, and a fine thinker. He has frequently been consulted by Edison, Ford, and Firestone as to the possibility of growing rubber in this country. I speak of that just to show the standing of the man.

Over 15 years ago this gentleman came back from Florida, where he had been living in the Everglades with the Indians, and he told me:

This is the spot America ought to own. Do not let the opportunity go to get it. It is precious. Put it under the protection of the Federal Government. It is the most valuable spot from a botanical standpoint, from a fish standpoint, from a bird standpoint, and from a beauty standpoint, that I have ever known.

This gentleman has traveled the world over.

I disregard what the gentleman from Pennsylvania has said and turn to my dear neighbor, Dr. Small, for his advice on the subject, and I shall follow his advice. Dr. Small told me that he lived there every year as a representative of the great Botanical Gardens of New York, and that he thinks this is one of the most valuable spots in America and ought to be raised to the dignity of a national park and thus put to the perpetual service of the people by the Federal Government. [Applause.]

Mr. KVALE. Mr. Chairman, I rise in opposition to the pro forma amendment to ask the chairman of the committee if he can give us any information regarding whether or not the Indian wards of the Government have been taken care of?

Mr. DEROUEN. Yes. It is proposed by the Park Service to place the Seminole Indians in the park to be used as guides and to be employed in other ways. They are to some degree a charge on the Government now, and it is proposed to leave them in there and use them as guides throughout the park.

Mr. KVALE. In other words, they will be permitted to remain relatively undisturbed in their own country and in their own homes?

Mr. DEROUEN. Yes. Of course, their actual reservation is outside the park; but we propose to bring it into the area, and it is the purpose of the Park Service to do so.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Sec. 3. The administration, protection, and development of the aforesaid park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the

provisions of the act of August 25, 1916 (Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", as amended: *Provided*, That the provisions of the act approved June 10, 1920, known as "the Federal Water Power Act", shall not apply to this park: *Provided further*, That nothing in this act shall be construed to lessen any existing rights of the Seminole Indians which are not in conflict with the purposes for which the Everglades National Park is created.

With the following committee amendment:

On Page 2, line 22, in parentheses strike out "Stat. 535", and insert in lieu thereof "39 Stat. 535."

On page 3, after line 4, insert a colon and the following proviso: "And provided further, That the United States shall not expend any public moneys for the administration, protection, or development of the aforesaid park within a period of 5 years from the date of approval of this act."

Mr. DEROUEN. Mr. Chairman, I offer an amendment to the committee amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DEROUEN to the committee amendment: On page 3, at the end of line 8, add the following: "Except for such work as may be done under the Emergency Conservation Work program."

Mr. BLANCHARD and Mr. RICH rose.

Mr. BLANCHARD. Mr. Chairman, I move to strike out the last word.

I want an explanation of the amendment that has been offered by the Committee.

Mr. DEROUEN. The amendment is offered by me.

Mr. BLANCHARD. Does the gentleman intend to explain the amendment?

Mr. DEROUEN. Yes. The amendment simply does this: When the bill was written, we were not using C.C.C. camps; and all we wish to do by this amendment is to permit, if necessary, the use of C.C.C. camps that may be located in this area.

Mr. BLANCHARD. Mr. Chairman, I want to be absolutely certain that the purpose of this amendment will not be destructive of the amendment the gentleman from Florida is going to offer. The gentleman has stated he is going to offer an amendment which will provide that nothing shall be done in this area which will destroy its primitive and natural condition, and I think the amendment of the gentleman from Florida, perhaps, comes as a result of my insistence, as a member of the Committee on Conservation of Wild Life. I can well understand the purpose of the amendment; and as I am somewhat concerned about C.C.C. camps in an area of this kind, I shall yield now to the gentleman from Florida.

Mr. WILCOX. It so happens that there is at this time a C.C.C. camp down there doing some work in the way of fire prevention, weeding around some of the sections where the royal palms are, and things of that sort, purely as a conservation measure, and it was decided that the wording of the original committee amendment which prohibits the use of Federal funds would immediately make it necessary to take out this C.C.C. camp and stop this very necessary work. So the object of the amendment is to permit them to go ahead in carrying on such conservation work.

Mr. BLANCHARD. Let me ask the gentleman whether this amendment has the approval of the Director of Public Parks and the American Forestry Association?

Mr. DEROUEN. Yes; the Director suggested it, in fact.

Mr. BLANCHARD. And there is no objection on their part?

Mr. DEROUEN. None whatever; no.

Mr. RICH. Mr. Chairman, will the gentleman yield, so that I may ask the gentleman from Florida a question?

Mr. BLANCHARD. I yield.

Mr. RICH. Is it the intention of the Department, if this bill is enacted into law, or of any Member of the Congress, to ask for more C.C.C. camps to be located in this territory?

Mr. WILCOX. It is not. This simply permits the present camp located in this area to carry on the conservation work it is now doing.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I doubt if this is a wise amendment, and I think we ought to defeat it. We were assured that this measure would not call for the expenditure of Federal money.

Some Members on the floor from time to time try to make a distinction—

Mr. DEROUEN. If the gentleman will permit—

Mr. BLANTON. In just a few minutes. I want to be heard first on one very important phase of this question.

Mr. DEROUEN. Mr. Chairman, I do not want to bring about any conflict here, and I shall withdraw the amendment.

Mr. BLANTON. The gentleman is not going to do that yet, because it would take me off my feet, and prevent my discussing one matter of importance, hence I do not yield for that purpose. I have the floor and I am going to hold it until I get through.

Some Members are trying here daily to make a distinction between money to be taken out of the Federal Treasury and money furnished by the P.W.A. by saying "it is not out of the Federal Treasury" if it is "P.W.A. money." What is that but money out of the Treasury? It is tax money that has come out of the pockets of the people. They say, "Oh, it is P.W.A. money or A.A.A. money." It is all public money, and public funds taken out of the pockets of the people.

Mr. WILCOX. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. No; I am sorry, but I want to get this off my system, because it has been accumulating there a long time. [Laughter.] This Government has not a dollar on earth to its name except tax money that it takes out of the people, or bond money, for which it pledges the credit of the Government; and which eventually must be paid by the people through taxation.

I am tired of seeing a distinction made between money appropriated out of the Treasury and money allocated by one of these P.W.A. or C.W.A. activities. Some seem to be perfectly willing for wasteful things to be done with P.W.A. or C.W.A. money, but I am just as much concerned about P.W.A. money or C.W.A. money being properly spent as I am about any other tax money out of the Federal Treasury.

I am pleased that this amendment is going to be withdrawn.

Mr. WILCOX. No; it is not.

Mr. BLANTON. Well, if it is not, we will try to vote it down.

Do you know that under this amendment they could not only send 1 camp there, but they could send 25 C.C.C. camps there if they wanted to? There is no limitation as to the number of C.C.C. camps that could be allocated to this new Government reservation in Florida.

I know that if the pipe dreams of some Florida politicians materialize this wilderness will be made habitable, and if tourists are to camp there it is going to require the work of numerous C.C.C. camps during the next 5 years.

Now, if the distinguished Florida delegation, than whom there is none more influential in Congress—if this influential delegation is strong enough to throw the important Steagall bank deposit bill out of the window temporarily and take up this bill by airplane action over night, I am a little concerned whether or not this distinguished influence would be sufficient to put 12, 15, 25, or even 50 C.C.C. camps down there to destroy the morasses and crocodiles. [Laughter.]

I am against this amendment. If this delegation wants to go along with their pledges and have this cost the Government no money, then they may pass their bill. I am going to vote against this amendment, and then I shall feel constrained to vote against the measure itself, because I believe eventually it is going to cost this Government a lot of money.

Mr. RICH. Mr. Chairman, I rise in opposition to the amendment. Members of the House of Representatives, we have been here on the floor taking up the valuable time of the House by talking about this Everglades Park when you have the most important legislation waiting to be disposed

of by the Banking and Currency Committee. You have been told this afternoon by various speakers that we want to have this park as a Federal park. You have been told that it is not going to cost the Federal Treasury one penny, and yet no sooner than we get to the tail end of the bill the chairman comes with this amendment that is going to require the expenditure of thousands of dollars in the development of the park. I tell you the ink will not be dry on the signatures of the Speaker of the House, the Vice President of the Senate, and the President of the United States to this bill when you will be asked to spend the taxpayers' money to develop this park. The gentleman from Florida tells you that it is not going to cost the Federal Government any money. Why does he make the statement?

Why do men come here and tell us one thing, and then turn around and request us to do something else? I say that we Members of Congress may not be fools, but we are doing the things that fools would do if we enact this bill into law at this time.

It is time we put a stop to foolish legislation, it is time we woke up and use our own gray matter, and cease to follow some professor who is telling us to enact certain bills into law because some secretary wants it or some department head may have a fancy for the law.

Gentlemen, it is time we should call a halt on such legislation. It is time Members of Congress think. I implore you to defeat this amendment and to defeat this bill, especially at this time. [Applause.]

Mr. McDUFFIE. Mr. Chairman, I move to strike out the last three words. It is regrettable that partisan political discussions should enter into a matter of this kind. I think they have no place in the consideration of this bill.

A few moments ago I called to the attention of the distinguished gentleman from New York [Mr. REED], who opposes this measure, the decrease in unemployment, suggesting in that way that conditions were not as bad in the country as he might think. I do not believe he would deliberately sing the song of despair, nor do I believe he would join the snipers and snoopers who are anxious to discount the efforts being made to restore the country and find fault for political purposes. I believe he is free from political partisanship on such legislation as we are now considering. I have taken this time to read a statement which appeared in the New York Times this morning with reference to unemployment, which should be heartening and encouraging to those who doubt and convincing to those who deny improvement in conditions generally throughout the country.

It comes from the National Industrial Conference Board. That organization is not a board of politicians, but a board representative of labor, capital, and industry, and, we must believe, composed of men who are patriotic and without political motives to serve. If the Committee will be good enough to listen, I shall read the item:

UNEMPLOYED WORKERS IN NATION CUT TO 7,907,000 DURING 1 YEAR

NEW YORK, May 23.—The total number of unemployed workers in April 1934 was 7,907,000, according to an estimate of the National Industrial Conference Board issued today. This is a decline of 114,000, or 1.4 percent, from the March total and a decline of 5,296,000, or 40.1 percent, as compared with March 1933, when unemployment was at its highest point.

Unemployment increased 32,000 in mining, but this was overcome by decreases of unemployment in other industries, as follows: Manufacturing and mechanical, 99,000; transportation, 7,000; trade, 59,000; domestic and personal service, 5,000; and 3,000 in miscellaneous occupations. In addition, it is estimated that 27,000 new workers became available for employment during the month.

Unemployment has decreased since March 1933 in all industrial groups for which figures are available. Decreases were especially marked in manufacturing and mechanical industries. The number unemployed in this group of industries in April 1934 was 2,500,000, a decline of 3,923,000, or 61.1 percent, from the peak of unemployment in this group in March 1933. From March 1933 to April 1934 the number of unemployed workers in other groups decreased as follows: 54.8 percent in trade, 29.7 percent in domestic and personal service, 14.8 percent in the extraction of minerals, and 11.1 percent in transportation.

In this estimate the workers employed through the Public Works Administration are counted as employed. Emergency workers employed under Government auspices, usually part time, in lieu of direct unemployment relief, are counted as unemployed.

UNEMPLOYED WORKERS IN GROUPS

The following table shows the number of unemployed workers in the various industrial groups in March 1933, March 1934, and April 1934:

Industrial group	Number of unemployed		
	March 1933	March 1934	April 1934
Extraction of minerals.....	576,000	459,000	491,000
Manufacturing and mechanical.....	6,423,000	2,599,000	2,500,000
Transportation.....	1,591,000	1,422,000	1,415,000
Trade.....	2,126,000	1,020,000	961,000
Domestic and personal service.....	607,000	432,000	427,000
Industry not specified.....	539,000	420,000	417,000
Other industries ¹	296,000	296,000	296,000
All industries.....	12,158,000	6,647,000	6,506,000
Allowance for new workers since 1930 census.....	1,045,000	1,374,000	1,401,000
Total unemployed.....	13,203,000	8,021,000	7,907,000

¹ This group includes agriculture, forestry and fishing, public service and professional service. The number given is that of the unemployed in 1930, no figures being available from which later changes in employment can be computed.

That is a very heartening statement of unemployment conditions and does not indicate that the country is going from bad to worse. A decrease in unemployment of 5,296,000 in 12 months is a remarkable showing.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. TABER. I am sorry, but I feel that the gentleman should be told of the census Mr. Hopkins of the F.E.R.A. has been taking which shows that on May 1, 1933, there were 4,250,000 families on relief, and that already they have reached that total in the figures for May 1, 1934, and they have not yet completed their census.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. McDUFFIE. Yes.

Mr. BOILEAU. The gentleman from New York [Mr. REED] in his remarks a short time ago was talking about people on the relief rolls, and not the unemployed, and I believe his figures were absolutely correct; at least, I have heard that quoted from many different sources. The figures the gentleman is now giving do not dispute the remarks made by the gentleman from New York.

Mr. McDUFFIE. Of course, I am talking about the decrease in unemployment in this country, the major part of which is in industry, and which, I repeat, indicates a much healthier and much more hopeful condition than that obtaining a year ago. Regardless of the numbers now on relief rolls, largely of a temporary nature, growing out of shifting relief from local communities to the Federal agencies, and some of which may be due to storms, drought, and other disasters, the outlook for the whole country is brighter and more encouraging.

Mr. WILCOX. Mr. Chairman, I move to strike out the last word to speak in favor of the amendment.

Mr. BLANCHARD. Mr. Chairman, before the gentleman begins, will he yield to me?

Mr. WILCOX. Yes.

Mr. BLANCHARD. I am quite concerned about this amendment with reference to the C.C.C. camps.

Mr. WILCOX. That is what I want to talk about.

Mr. BLANCHARD. I am afraid that you are going to destroy the effect of your amendment, and that is something which we ought to guard against very carefully. I am positive that the various groups, some of which were opposed to this bill originally, but who later on came in and decided to go along with you, have not had an opportunity to study its effect. For that reason I hope the gentleman will not support it.

Mr. WILCOX. Mr. Chairman, I appreciate the attitude of the gentleman upon that, and that is the reason that I am rising in support of the amendment. I told the House in general debate that we will offer an amendment requiring that the area shall be preserved in its essential primitive condition, and that no development shall be had which will in anywise interfere with that. We also propose to offer an unusual amendment, that the Federal Government cannot

expend any money for maintenance or supervision or development for a period of 5 years. It so happens that the C.C.C. camp is now in this area doing certain conservation work, purely in the matter of preserving and protecting the forests. It occurs to me that the amendment as now drawn will not in any way conflict with the amendment requiring it to be retained in its primitive condition, but that if both were adopted it will permit the C.C.C. camps to go ahead with their conservation work, but with the provision in the bill that nothing that they shall do or that anybody else shall do will in any way interfere with the primitive conditions or destroy its essential condition as a wilderness. I do not want anything to be done in this area which will destroy that, and I do not want to require the Government to spend any money for 5 years, but we have the C.C.C. camps there doing conservation work. They are protecting the forests elsewhere. They are protecting these forests now, and it seems to me it is a reasonable provision to permit them to go ahead.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. Yes.

Mr. DIES. Would the adoption of this amendment necessarily mean that you would put any more C.C.C. camps in that community?

Mr. WILCOX. Not at all. As a matter of fact, whether this area is set aside as a park or not, we all know the C.C.C. camps have a right to go in and preserve and protect the forests by fire-prevention methods and other things that they are doing.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. Yes.

Mr. MOTT. What are the C.C.C. forces doing, or what can they do, to protect a growth like the growth of the Everglades? There has never been a fire down there, has there?

Mr. WILCOX. Oh, yes; quite frequently.

Mr. MOTT. What kind of work is it that the camps are doing?

Mr. WILCOX. It is largely in the matter of fire prevention, and in some cases of resetting some of the trees that have been destroyed.

Mr. MOTT. I have been in the Everglades by boat, and I am very much surprised to hear that there ever have been any fires there. That is news to me. I am wondering what the C.C.C. workers could do in that regard. If it is the purpose of the sponsors of this bill to preserve that area in its primitive state, and if the Government is not going to spend a great deal of money in the development of it, then what is the object in having the Federal Government take over that area at all?

Mr. WILCOX. I did not say there would never be an expenditure of any money. There will be no expenditure of money for 5 years. After the 5 years are up, it might be advisable, possibly, under act of Congress to be passed, if Congress so desires, to make appropriations to extend the trails through some sections of this area and to preserve it. It will be largely a matter of supervision and protection.

The CHAIRMAN. The question is on the amendment to the committee amendment.

Mr. BLANCHARD. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment to the committee amendment.

Mr. ENGLEBRIGHT. Mr. Chairman, I do not understand that this is being read as a committee amendment, is it?

The CHAIRMAN. No. It is an amendment to the committee amendment offered by Mr. DEROUEN.

There was no objection, and the Clerk again reported the amendment to the amendment.

Mr. HASTINGS. Mr. Chairman, I am very much in favor of this bill, but I regret that the sponsors of the bill feel that they must submit to this amendment.

Mr. DEROUEN. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I yield.

Mr. DEROUEN. I have requested to withdraw the amendment to the amendment, and the gentleman from

Texas [Mr. BLANTON] objected to the request. I make the request again to withdraw this amendment.

The CHAIRMAN. Without objection, the amendment to the committee amendment is withdrawn.

Mr. MOTT. Is that the C.C.C. amendment?

Mr. DEROUEN. Yes.

The CHAIRMAN. Does the gentleman from Louisiana [Mr. DEROUEN] mean that he withdraws the amendment to the committee amendment?

Mr. DEROUEN. That is correct.

The CHAIRMAN. Without objection, the amendment to the committee amendment is withdrawn.

There was no objection.

Mr. HASTINGS. Mr. Chairman, I regret the author of the bill to establish this park finds it necessary to agree to the terms proposed in the committee amendment. I am in favor of the bill. I think this park ought to be created, but I do not believe it is necessary or that we ought to agree to the amendment, to the effect that if the Congress of the United States sees fit to make additional appropriations for parks it shall be prohibited from doing it for this park for the next 5 years.

Mr. SNELL. Will the gentleman yield for a question?

Mr. HASTINGS. I will.

Mr. SNELL. I do not think the gentleman need be unnecessarily disturbed about that, because we may change this next week or the week after. The gentleman has heard the chairman of the committee offer an amendment today, after all the talk had been made, which absolutely does away with the committee amendment itself. So the gentleman need not worry about it in the future.

Mr. HASTINGS. The minority leader is quite right. I knew this amendment would not have any binding effect upon the Congress. The Congress next year could provide funds for the improvement of this park. However, it will morally bind and embarrass any Member of Congress from asking for funds to improve the park. I think the Congress should do that, and I do not believe it is necessary to have this kind of an amendment added to this bill in order to secure favorable action upon it. I think this bill should stand on its own merits. We can pass the bill without the amendment. I think it is a park that ought to be established. I have always favored it. It has certain unique and distinctive features, as has already been explained, and for that reason I rose to say that I regret the sponsor of the bill has felt it necessary to yield so that this amendment to the bill may be adopted.

There are 22 national parks throughout the country. Congress appropriates for them annually through the Interior Department appropriation bill. I have had the privilege of serving on the subcommittee which prepares this bill, for many years.

For the fiscal year ending June 30, 1934, the bill carries appropriations aggregating \$11,775,137 for the National Park Service. In addition there was allotted from the funds provided in the National Recovery Act, for public works of various kinds, including roads and trails in the national parks, \$32,092,450.27. In other words, a grand total of \$43,867,587.27 has been authorized to be expended on national parks for the fiscal year ending June 30, 1934.

In order to make the national parks of use to the public and acceptable they must be improved. There must be facilities to house people who visit them each year. There must be roads and trails through the parks. It is not necessary to disturb the flora and fauna in the Everglades Park. The Everglades can be preserved in primitive shape, but when people visit this park they must be provided with places to eat and to stay, and they must be given some comforts. Otherwise, the national parks will not be visited. If this area is not to be improved at all, then there is no need to establish a park there. Untold millions of people visit and enjoy the parks throughout the country, and they will only visit this one when and if the park is improved, so that comforts for visitors may be provided for.

This improvement is largely in the interest of the ordinary citizen visiting the park. The wealthy, of course, can go to

the hotels in the adjacent cities and towns, but those who visit this park in automobiles and desire to camp there at small expense must have accommodations provided for them where they can have places to eat and stay and to buy food, as are provided in the other parks throughout the country.

This bill ties the hands of the Representatives in Congress from Florida from asking for an appropriation for 5 years. Of course, Florida must first act in securing title to and donating approximately 1,300,000 acres of land, and this will require some time. However, when that is done, unless this area is improved, as the other parks throughout the country, it will not invite the millions of visitors who desire to go there and enjoy it during the winter months.

I had the pleasure of visiting this area many years ago, and I want to attest that there are many distinctive features there that are well worthy of preserving and which will attract a great many visitors, providing roads and trails are built, sanitation is provided for, and the park improved along the lines of the other national parks throughout the country. This will require money, and if the Government is going to accept the responsibility for this park it should be improved along with the other parks of the country.

Mrs. Ruth Bryan Owen pressed favorable consideration for the establishment of this park for several years. I understand the bill has heretofore passed the Senate. It has been favorably reported on by the National Park Service, and I hope the bill will finally pass Congress during the present session.

Mr. DEROUEN. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion of the gentleman from Louisiana [Mr. DEROUEN].

The motion was agreed to.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 22, in the parentheses, strike out "Stat. 535" and insert "39 Stat. 535."

The committee amendment was agreed to.

Mr. WILCOX. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILCOX: On page 3, after line 8, insert a new section to read as follows:

"SEC. 4. The said area or areas shall be permanently reserved as a wilderness, and no development of the project or plan for the entertainment of visitors shall be undertaken which will interfere with the preservation intact of the unique flora and fauna and essential primitive natural conditions now prevailing in this area."

Mr. SEARS. Mr. Chairman, I rise in support of the amendment.

I ask unanimous consent to revise and extend my remarks and to include certain statements from the hearings.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SEARS. Mr. Chairman, there has been some discussion about how this bill came up today. In 1928 Senator FLETCHER secured the passage of a bill in the Senate providing for an investigation of the proposed national Everglades Park and on the 1st of March 1929, 3 days before retiring to private life, I secured the passage of said bill in the House. Those making the investigation made a favorable report, and I am glad the good people of Florida returned me to Congress and made it possible for me to participate today in the final consideration of the bill and, I trust and believe, the passage of the bill.

I am indeed sorry my Republican friends have indulged in misstatements of facts and have endeavored to make the bill a partisan question. During the 15 years I have served in the House, this is the first time I have known my friends on the opposite side to treat a matter of national importance in such a manner and so grossly—I trust not knowingly—misstate facts. I refrain from believing it is a partisan

matter, and I am satisfied many of my friends on the opposite side of the aisle will join with us on this side in passing this bill and make possible this wonderful national park.

One of my friends on the opposite side stated California had unloaded all of her lemons on the Government, and now Florida was undertaking to outdo California and give to the Government the largest lemon ever presented to the Government. It is indeed unfortunate that they have undertaken to arraign California and Florida against each other, but I am satisfied they will not be successful and that California and Florida will continue to work hand and hand for the betterment and upbuilding of both States. Let me assure my friend on the opposite side Florida has no lemons to offer the Government and California would not give the Government one if she could.

I looked at my distinguished friend from Massachusetts while he was talking about snakes and wondered if he was talking about the snake we kept down there in prohibition days to bite northern people in order that they might secure some whisky under the guise of curing the snake bite.

Perhaps he got there after the snake was tired and worn out from biting others and therefore the snake could not bite him, and so my good friend, the hotel man from Massachusetts, has been seeing snakes ever since. [Laughter and applause.]

Mr. Chairman, I would remind my colleagues that more than a million people from their districts last year went down to Florida within 30 or 40 miles of this wonderful park. If they should happen to read the discussion here on the floor of the House today I wonder what they would think of the learned Congressman who represent them in Congress. Talk about your parks in Pennsylvania, they are all right, but this park is not for our people in Florida, it is for your people who spend the winter, our summer months, down there.

Much has been said about our hotels. We realize the fact that our wealthy people can go to the hotels mentioned today and pay their rates of \$25 to \$50 a day, but I visualize the time when the common people of America can do down to Florida and, like myself and others who for more than 30 years have enjoyed our outdoor life, bask in our glorious sunlight, and enjoy the wonderful natural scenery of this park, and sleep in small cabins, at nominal expense. It is for these and those interested in nature for whom I am appealing today.

Unfortunately, today Messrs. Daugherty and Collier have been mentioned in this debate. I know both of these gentlemen and while I am satisfied like all people interested in the welfare of our citizens they are deeply interested in securing the passage of this bill, let me state neither of these gentlemen have ever approached me about this park, and so far as I know, they have not taken the matter up with any of my colleagues from Florida. Neither of them need any defense at my hands for they are able to defend themselves. I again repeat it is unfortunate that citizens on the floor of the House are abused and criticized when they have no chance to defend themselves.

I sincerely trust prejudice will not enter into the question. Speaking for myself, I hope my colleagues know me well enough to know I would not mislead them when I state to you anyone who makes the statement that we will be asking for millions and millions of dollars as soon as this bill becomes a law does not know what he is talking about. On my responsibility as a Member of Congress at large from my State, and weighing my words, I assure you such is not the case. This park, if properly handled by the Government, will not cost the Government large sums of money but, in fact, will be a revenue-producing park. To make this possible we only have to provide camping grounds for our northern, eastern, and western friends, and the nominal sum charged will turn it into a revenue-producing park.

I sincerely trust you will not vote this bill down due to prejudice, misinformation, and because the park is proposed to be established in the southern section of our country.

Do not hold it against the citizens of our State that they voted for Hoover in 1928, for at that time I tried to convince

the people they were making an error, and I assure you since then they have fully repented, and you can hardly get anyone down there to admit he voted the Republican ticket.

Since I became a Member of Congress I have voted for the improvement of every national park and have looked upon the national parks as a national question. I now appeal to my colleagues not to be misled by the argument which has been used on the other side, but to look on the Everglades National Park as a national matter and join with us in passing the bill.

In order that those who read the CONGRESSIONAL RECORD may have some of the facts before them, I am appending hereto brief excerpts from the hearings before the Public Lands Committee, of which my able and distinguished friend and colleague, Hon. RENÉ L. DEROUEN, is chairman.

[NOTE.—Pages referred to in the following excerpts are pages of the hearing:]

ESTABLISHMENT OF EVERGLADES NATIONAL PARK—HEARINGS BEFORE THE COMMITTEE ON THE PUBLIC LANDS, SEVENTY-FIRST CONGRESS

STATEMENT OF HORACE M. ALBRIGHT, DIRECTOR NATIONAL PARK SERVICE

We found the section absolutely distinctive. There is certainly nothing else like it in the United States. That is one point in its favor as a national park. It has a unique topography. It is true it is quite flat. There are no mountains there. The landscape is of water and plant life. We found the most extraordinary display of bird life there, and yet we could very easily see that it was something that was very precious and subject to exploitation by meat hunters. We actually came in contact with men engaged in poaching on those rare birds (p. 5).

People do not think of Yellowstone Park as a particularly beautiful thing, although those of us who know it best do think of its beauties more than its wonders; but people go to Yellowstone to see Old Faithful Geyser and those other wonderful manifestations of subterranean disturbance. That is what attracts most people. Now, in the same way they would go to the Everglades. It is a strange land full of strange plants. The landscape is strange. The coconut-grove-lined beaches are strange.

There is an atmosphere of mystery and strangeness about the whole thing that attracts the attention of all who see the Everglades and will attract the multitude as much as a park like Yellowstone. We have been reading about the Everglades from the earliest days of geography study. The Everglades, like the big trees and the geysers, are in everybody's mind, and we should be given an opportunity to see them (p. 6). There is no place in the country where you will see such conditions of bird life as you will in the Everglades, particularly in these sections tributary to Great White Water Bay, Alligator Lake, and other areas. Here there are the various species of egret, heron, and ibis, the man-of-war bird, the roseate spoonbill, and there are probably some flamingos left. Probably two thirds of this park should be kept as a wilderness accessible only by boat and on foot (p. 8).

In speaking of how spectacular it is, Mr. Albright says, "For instance, the plant life alone. Have you ever seen a mangrove forest? That is spectacular. The roots start out of the tree 10 or 15 feet up in the air and spread out in all directions. Instead of starting down underground, they start way up in the air. These great rookeries, aside from the fact that there are birds in the rookeries, there is nothing more spectacular and thrilling than to see those tens of thousands of enormous birds in the trees. You can see them for a mile before you get to them, just as far as your eyes can reach, trees laden with great birds. There is a distinction there between just preserving birds and animals, and the thrill that you get and the inspiration and the education you get out of going and seeing them (p. 11).

You can take people through these Everglades, and they will see all the distinctive features, the fine forests, all the various species of palms, the coconut groves, the beaches, one or two of these great bird rookeries, and the other areas containing unique forests, unique plant life, and let them see all of the distinctive unique things, the highlights of the area, and you will give them just as much in that section as you will in practically all of the other parks (p. 18).

STATEMENT OF CASPER W. HODGSON, WHO INSPECTED THE EVERGLADES

I am chairman of the national parks committee of the conservation committee of the Camp Fire Club of America and chairman of the executive committee of the National Parks Association. The Camp Fire Club endorsed the Everglades region as a national-park proposition, but the National Parks Association has taken no formal action upon the matter. I wrote to Robert Sterling Yard, executive secretary of the National Parks Association, and to the National Park Service, dated February 18, 1930, as follows:

"I have just gotten back from the Florida trip, and I will say to you in passing that I saw what comes nearer to a wilderness area than anything I have yet struck in a national park. It was inspirational in a high degree. It was not so geological, but very elemental and primitive and certainly more biological than anything I have yet struck anywhere. No human touch in it at all. Some 20 by 40 miles of that kind of thing is hard to find any more. It will soon be spoiled, however, unless we take it, and I am for taking it. It will be doing something constructive to

get behind this. It conforms more to national-park standards than anything I have seen east of the Mississippi. I believe those in the party were pretty much of one mind about it" (p. 25).

STATEMENT OF DR. H. C. BUMPUS, BROWN UNIVERSITY, PROVIDENCE, R.I.

I am not claiming that it is our purpose to educate—a more or less offensive word—the people that go into the national parks. I do claim that when visitors want substantial information concerning the behavior of nature they are entitled to receive it, and, furthermore, when a large, undeveloped area like the Everglades, possessing physical characters unrepresented in other parks and having great educational value, is available for inclusion in a system, one's duty becomes clear, and the more so since the national park system will be forever incomplete if this tropical area is not acquired (p. 27).

Now, I am coming to my second point: Is it worth preserving? One reason why I feel it is worth preserving is because hard-headed business men have spent hundreds of thousands of dollars in making imitations, for exhibition purposes, of what there is in this area and the contiguous waters. I ran over the figures roughly before this meeting, and I think that the American Museum of Natural History has expended at least \$200,000 in its endeavor to give to the people of New York and the Nation at large some idea of what nature profusely exhibits in the southern part of Florida and the surrounding waters of ocean. Museums have sent their men into this rich area, they have made their collections, it has taken literally years to reproduce in our various cities what Florida exhibits as originals. If this area should cost \$5,000,000 the interest on the investment would be \$250,000. Institutions for educational and for inspirational purposes are spending, have spent, in reproducing what is already here practically the equivalent of the interest on this amount of money (p. 28).

STATEMENT OF DR. GILBERT PEARSON, PRESIDENT OF THE NATIONAL ASSOCIATION OF AUDUBON SOCIETIES, NEW YORK CITY

Perhaps I have said enough about the bird life except to say that in the Royal Palm Hammock Mr. Arthur H. Howell, of the National Museum of Washington, a Government man here, identified 127 species of birds. There are various rare birds breeding in the Everglades. The Everglade kite, the swallow-tailed kite, and the limpkin are examples. The roseate spoonbill, once found in Florida by hundreds of thousands, is very rare today (p. 36). People can travel by boat, and I can see the possibilities for joy and happiness for the use of such craft. You were talking yesterday about roads—my idea of a road would be to rebuild this one to Cape Sable, as Mr. Albright said. Then it should go around White Water Bay and cross the western edge of the prairie country—that is the marsh area—and join the Tamiami Trail toward its western end. One could go through the area in a wonderful 2 days' trip, with a stopping place down here among these palm groves at the Cape Sable beaches.

The interminable waterways and the creeks that wander back through all this vast western part of the glades there—no man knows them all. The people who know them best, acquainted with them, are the Seminole Indians. Last year I was advised that there were 551 Seminoles left in south Florida. They dress picturesquely; they wander through the glades; they shoot the big wood ibis for food; they trap fur-bearing animals and shoot alligators for their hides. In short, they earn a living in about any way they can. A few of them go out and work for the whites. They are mostly living up north of this area, but some of them camp through here. What more delightful outing could a man and his wife have than to take a camping trip with a couple of Seminoles in their long dugout canoe, wearing their picturesque costumes? Trusty guides are these silent, smoking Indians who know the country so well (p. 39).

STATEMENT OF HARLAN P. KELSEY, MEMBER OF THE SOUTHERN APALACHIAN NATIONAL PARK COMMISSION, SALEM, MASS.

Again, there is no other area in this country devoted to a national park like this one. It is totally different in land, water, climate, plant, and animal features, as well as recreational features. It is very remarkable as being the only land in America that is "in the making." Dr. Charles Torrey Simpson, who has written so much about southern Florida, has described it as the only land in this country which is emerging from the ocean. Everywhere else there is a breaking down, a washing away of our continent; here there was once emergence, then submergence, and now emergence again (p. 45).

STATEMENT OF JOHN K. SMALL, HEAD CURATOR NEW YORK BOTANICAL GARDEN

I carried out enough for botanical specimens only, as much as I could carry in my hand. I may have carried a good deal out in the 30 years I have visited this area, perhaps twice a year for 30 years (p. 49).

I have lived in the Everglades for a month at a time, and I have been in the southern part of the Everglades where there was no rain in sight, and right around our camp the water sometimes would come up a foot. That rain may have fallen 200 miles north and come down underground. So the principal thing that the Everglades and the big cypress swamp are fit for is a national park (p. 51).

STATEMENT OF DR. HOWARD A. KELLY, JOHNS HOPKINS UNIVERSITY

No; I was never bit once bitten by a king, and the lesion of the bite was insignificant. I might here relate a story. I had two

king snakes some months ago, one called scientifically *Lampropeltis floridana* and the other *Lampropeltis boylii*, from Utah. I kept the two together, being generically first cousins, the smaller Florida one and the considerably larger one from Utah. And they did well and lived amicably for some weeks. One day, however, I came to the cage and found one suspiciously larger snake in the cage which I had X-rayed, and there [pointing to the radiograph on the table] is the explanation of it—a perfect picture of the sinuous and doubled-up longer enveloped in the smaller. Florida had swallowed Utah (p. 56).

STATEMENT OF DR. PAUL BARTSCH, CURATOR OF THE NATIONAL MUSEUM

I must therefore say that Florida, so far as this projected park is concerned, was most fortunate when the boom broke, because if the boom had continued much longer there would have been no need for anybody to make this effort to preserve those things which are worth while for preservation; they would have been destroyed. The breaking of that boom has saved enough to give the Nation the right to the heritage that nature has produced for it there through countless centuries, and the generations to come will have an opportunity likewise to enjoy it. I feel that we have a real national duty for the preservation of this area (p. 61).

[Here the gavel fell.]

Mr. DEROUEN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. BLANCHARD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not draft this amendment, but I think it was largely through my insistence, as I stated before, that the amendment was agreed to. Of course this bill did not come before the Committee on Wild Life Conservation because the committee had jurisdiction, but extensive hearings on the measure were held by our committee.

One of the very first points of opposition against the bill was called to our attention by several conservation organizations, and as a result of that opposition this amendment was proposed, and it was agreed to by the sponsors of the bill.

If the park has any merit whatsoever that merit lies in its unique characteristics; and these unique characteristics should be preserved if it is to become a national park. They cannot be preserved if the park is to be made available to every person in the United States and is to be commercialized as some of our national-park areas have been.

Some of the opposition directed against this measure goes to the question of whether at this time we can afford to take on any additional governmental obligations. The Government has been protected so that at least until the succeeding Congress no money may be spent by the United States Government, and I hope this provision may be kept intact.

If we are to save for future generations some of the beauty spots of America then we may well give consideration to an area of this kind. If it is worth a thin dime to the people of Florida, or to the people of the United States, it is worth preserving in its natural state, and this is why I am concerned about this amendment.

There are two kinds of conservation; one goes to the question of utilizing our natural resources, the other of preserving them unused. If they are of commercial value, of course, they are valuable because they may be utilized; but there are, thank God, still left in this country some areas that can be of greatest use and be most enjoyed only if kept in their pristine State. Nature will take care of them if given a chance. This amendment is written into the bill so that the devastating hand of man may not destroy the flora and the fauna of this great tropical area. If this amendment is adopted, it will mean that the Government will refuse to spend any money for 5 years and the Treasury will be protected. At the same time a choice spot will be preserved for the succeeding generations of the people of America.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. BLANCHARD. I yield.

Mr. MOTT. The area known as "the Everglades" has existed, of course, for a great many years. Does the gentleman know whether anybody has ever destroyed any part of it to date?

Mr. BLANCHARD. I may say to the gentleman, not from personal observation but on good authority, I am informed that this area stands a good chance of being destroyed through commercialization. Some of the Royal Palms of this area have already been destroyed, and some of the rookeries and nesting grounds of the choicest birds of America have been destroyed. We should not permit it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. CHRISTIANSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHRISTIANSON: Page 3, line 3, after the word "Indians", strike out the following: "which are not in conflict with the purposes for which the Everglades National Park is created."

Mr. SEARS. Mr. Chairman, I make the point of order against the amendment that we have passed this section.

The CHAIRMAN. The Chair sustains the point of order. The Committee rises under the rule.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DISNEY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 2837) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes, pursuant to House Resolution 384, he reported the bill back to the House with sundry amendments adopted by the Committee.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Speaker will put them in gross.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SNELL. Mr. Speaker, I ask for a division.

(While the House was dividing, the following occurred:)

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays.

Mr. FITZPATRICK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. FITZPATRICK. When there is a division demanded and the Members stand, they ask for the yeas and nays. I think the division ought to be decided first, then the request for the yeas and nays made.

Mr. SNELL. I have the right to ask for the yeas and nays at any time.

Mr. BYRNS. That is true; but I think this is a practice that has been followed here repeatedly. I think gentlemen should be permitted to take their seats before a request for the yeas and nays is made.

The yeas and nays were ordered.

The question was taken; and there were—yeas 222, nays 145, not voting 64, as follows:

[Roll No. 146]

YEAS—222

Abernethy	Carmichael	Cummings	Ford
Arens	Carter, Calif.	Dear	Foss
Ayers, Mont.	Cary	Deen	Frey
Bakewell	Castellow	Delaney	Fuller
Bankhead	Celler	DeRouen	Fulmer
Berlin	Chavez	Dickinson	Gambrill
Biermann	Church	Dickstein	Gasque
Blanchard	Clalborne	Dies	Gilchrist
Bland	Clark, N.C.	Disney	Gillespie
Bloom	Cochran, Mo.	Dobbins	Gillette
Boland	Colden	Doughton	Glover
Bolton	Collins, Calif.	Douglass	Granfield
Boylan	Collins, Miss.	Doxey	Gray
Brooks	Colmer	Drewry	Greenway
Brown, Ga.	Condon	Driver	Greenwood
Brown, Ky.	Connery	Duncan, Mo.	Gregory
Browning	Cooper, Ohio	Dunn	Griffin
Buchanan	Cooper, Tenn.	Durgan, Ind.	Haines
Buck	Cox	Eagle	Harlan
Burnham	Cravens	Edmiston	Harter
Busby	Crosby	Faddis	Hastings
Byrns	Cross, Tex.	Farley	Healey
Caldwell	Crosser, Ohio	Fernandez	Hildebrandt
Cannon, Wis.	Crowe	Fitzpatrick	Hill, Ala.
Carden, Ky.	Cullen	Fletcher	Hill, Kuute

Hill, Samuel B.	McCormack	Rankin	Tarver
Hoeppel	McDuffie	Reece	Taylor, S.C.
Holdale	McFarlane	Rellly	Thom
Hope	McGrath	Richards	Thomason
Howard	McKeown	Robertson	Tobey
Hughes	McMillan	Robinson	Traeger
Imhoff	McReynolds	Rogers, N.H.	Turner
Jacobsen	McSwain	Romjue	Turpin
Johnson, Minn.	Maloney, Conn.	Rudd	Umstead
Johnson, Okla.	Maloney, La.	Ruffin	Vinson, Ga.
Johnson, Tex.	Mansfield	Sabath	Vinson, Ky.
Johnson, W.Va.	Martin, Colo.	Sadowski	Wallgren
Jones	May	Sanders, La.	Walter
Kee	Miller	Sandlin	Warren
Keller	Mitchell	Schulte	Wearin
Kenney	Montague	Scrugham	Weaver
Kerr	Montet	Sears	Werner
Kopplemann	Murdock	Secrest	West, Ohio
Kramer	O'Connell	Shannon	West, Tex.
Lambeth	O'Connor	Simpson	White
Lanham	O'Malley	Sinclair	Whittington
Larrabee	Oliver, N.Y.	Smith, Wash.	Wilcox
Lea, Calif.	Owen	Smith, W.Va.	Willford
Lee, Mo.	Parker	Snyder	Williams
Lemke	Parks	Spence	Willson
Lewis, Colo.	Parsons	Steagall	Wood, Ga.
Lindsay	Perkins	Strong, Tex.	Woodruff
Lloyd	Plumley	Stubbs	Woodrum
Luce	Polk	Sullivan	Zioncheck
Lundeen	Ramsay	Sumners, Tex.	
McClintic	Randolph	Sweeney	

NAYS—145

Adair	Ditter	Kloeb	Richardson
Adams	Dockweiler	Kniffin	Rogers, Mass.
Allen	Dondero	Knutson	Sanders, Tex.
Andrew, Mass.	Dowell	Kocalkowski	Schaefer
Arnold	Duffey	Lambertson	Schuetz
Ayres, Kans.	Eaton	Lamneck	Seger
Bacharach	Elcher	Lanzetta	Shallenberger
Bacon	Ellenbogen	Lehlbach	Snell
Beam	Englebright	Lehr	Somers, N.Y.
Beck	Evans	Lesinski	Stokes
Beedy	Fish	Lozier	Strong, Pa.
Blanton	Fitzgibbons	Ludlow	Sutphin
Boehne	Flannagan	McCarthy	Swick
Bolleau	Focht	McFadden	Taber
Brennan	Frear	McGugin	Taylor, Tenn.
Brown, Mich.	Gifford	McLean	Terrell, Tex.
Brunner	Goldsborough	McLeod	Terry, Ark.
Buckbee	Goss	Mapes	Thomas
Burch	Griswold	Martin, Mass.	Thompson, Ill.
Burke, Nebr.	Hancock, N.Y.	Martin, Oreg.	Thurston
Cady	Hancock, N.C.	Meeks	Tinkham
Cannon, Mo.	Hart	Merritt	Treadway
Carpenter, Kans.	Hartley	Millard	Truax
Carter, Wyo.	Henney	Moran	Utterback
Cartwright	Hess	Morehead	Wadsworth
Cavichia	Higgins	Mott	Waldron
Christianson	Hollister	Muldowney	Weideman
Clarke, N.Y.	Holmes	Musselwhite	Welch
Cochran, Pa.	Huddleston	Nesbit	Whitley
Coffin	James	O'Brien	Wigglesworth
Connolly	Jenckes, Ind.	Patman	Wolcott
Corning	Jenkins, Ohio	Peyser	Wolfenden
Crowther	Kahn	Pierce	Wolverton
Culkin	Kelly, Ill.	Powers	Young
Darrow	Kelly, Pa.	Ransley	
Dingell	Kennedy, N.Y.	Reed, N.Y.	
Dirksen	Kinzer	Rich	

NOT VOTING—64

Allgood	Darden	Kurtz	Ramspeck
Andrews, N.Y.	De Priest	Kvale	Rayburn
Auf der Heide	Doutrich	Lewis, Md.	Reid, Ill.
Bailey	Edmonds	Mariand	Rogers, Okla.
Belter	Ellzey, Miss.	Marshall	Shoemaker
Black	Eitse, Calif.	Mead	Sirovich
Britten	Flesinger	Milligan	Sisson
Brumm	Foulkes	Monaghan, Mont.	Smith, Va.
Bulwinkle	Gavagan	Moynihan, Ill.	Stalker
Burke, Calif.	Goodwin	Norton	Studley
Carley, N.Y.	Green	Oliver, Ala.	Swank
Carpenter, Nebr.	Guyer	Palmisano	Taylor, Colo.
Chapman	Hamilton	Peavey	Thompson, Tex.
Chase	Jeffers	Peterson	Underwood
Cole	Kennedy, Md.	Pettengill	Withrow
Crump	Kleberg	Prall	Wood, Mo.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Peterson (for) with Mr. Doutrich (against).
 Mr. Green (for) with Mr. Kurtz (against).
 Mr. Pettengill (for) with Mr. Goodwin (against).
 Mr. Fiesinger (for) with Mr. Brumm (against).
 Mr. Palmisano (for) with Mr. Chase (against).
 Mr. Crump (for) with Mr. Edmonds (against).
 Mr. Swank (for) with Mr. Marshall (against).

General pairs:

Mr. Bulwinkle with Mr. Britten.
 Mr. Chapman with Mr. Eitse of California.
 Mr. Ellzey of Mississippi with Mr. Guyer.

Mr. Kleberg with Mr. Peavey.
 Mr. Rayburn with Mr. Reid of Illinois.
 Mr. Taylor of Colorado with Mr. Withrow.
 Mr. Underwood with Mr. Stalker.
 Mr. Prall with Mr. Moynihan of Illinois.
 Mr. Oliver of Alabama with Mr. Andrews of New York.
 Mr. Mead with Mr. Kvale.
 Mr. Gavagan with Mr. De Priest.
 Mr. Carley of New York with Mr. Shoemaker.
 Mrs. Norton with Mr. Foulkes.
 Mr. Black with Mr. Burke of California.
 Mr. Bailey with Mr. Darden.
 Mr. Allgood with Mr. Wood of Missouri.
 Mr. Cole with Mr. Rogers of Oklahoma.
 Mr. Ramspeck with Mr. Hamilton.
 Mr. Auf der Heide with Mr. Marland.
 Mr. Smith of Virginia with Mr. Thompson of Texas.
 Mr. Sirovich with Mr. Milligan.
 Mr. Monaghan of Montana with Mr. Belter.
 Mr. Studley with Mr. Carpenter of Nebraska.
 Mr. Sisson with Mr. Lewis of Maryland.
 Mr. Kennedy of Maryland with Mr. Jeffers.

The result of the vote was announced as above recorded.
 A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SEARS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill just passed by the House.

Mr. RICH. Mr. Speaker, reserving the right to object, I question whether we ought to go to the expense now of creating a lot of conversation in the RECORD in reference to this bill and adding additional expense to the taxpayers of this country. Is there not going to be some recognition of the fact that this has already cost a lot of money, and what good is it going to do?

The regular order was demanded.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. RICH. Mr. Speaker, I object.

EXPLANATION OF A VOTE

Mr. KVALE. I was detained out of the Chamber during the last roll call. Had I been present I would have voted "yea."

THE REDEMPTION OF WORN AND ABRASSED COIN

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I desire to call the attention of the Members of the House to the discriminations being made by the Treasury Department in redeeming currency. If paper currency is defaced and mutilated and is presented for redemption, the Treasury allows the full value of the currency of the claim presented for payment. If the currency presented happens to be silver, the claimant is only allowed the bullion value of the metal, even in cases where the denomination and imprint of the mint is discernible, as in the case of the claimant whose letter is included herewith for the information of the Members of the House:

QUARTZBURG, IDAHO, May 8, 1934.

HON. COMPTON I. WHITE,
 Representative in Congress,
 Washington, D.C.

DEAR MR. WHITE: I am taking the liberty of writing you in the hope of enlisting your valuable aid in endeavoring to get a square deal under the new deal for one of its most sincere and earnest advocates and a lifelong Democrat—myself.

In the fire which destroyed the town of Quartzburg in 1929 it was my misfortune to lose, in addition to our home, household goods, and business, 15½ pounds of United States silver dollars, halves, quarters, and dimes, representing a value of approximately \$250.

This silver money got hot enough during the fire to partially melt and fuse, but when pried apart one can still read denomination, date, and United States of America on most of the coins.

I corresponded with the United States Treasury late in 1929 regarding this silver, and they sent me the enclosed marked circular concerning the redemption of paper currency and coin and further advised that I send it to the nearest United States mint for adjustment. In accordance with these instructions I sent it by registered mail to Denver Mint, January 18, 1930, and was advised from there that all they would give me was bullion value. I couldn't see it that way, so I let it lay there hoping for an advance in the white metal until last summer, when I was advised by the mint that, due to the lack of storage space, I must either sanction its melting and sale at bullion value or ask for

its return. So the "white elephant" came home again, stinging me for \$4 in real money—paper silver—expenses and express charges. Too deep for me! According to the enclosed circular, fragments of silver certificates, properly certified, are redeemable at face value. The entire lot of coins are easily recognizable, and they want to give me bullion value. Is our silver dollar really money or just a cheap joke? Poor money for a poor people?

Uncle Sam put this silver I have out at a value of \$1 per ounce and to be at all fair he should pay a fair price for its surrender. Say, new silver dollars less the actual cost of coinage. However, in the present depleted state of my finances, I would be willing to accept the price he is paying for newly mined silver, that is, 64½ cents per ounce.

I have delayed writing you about this matter, hoping against judgment that yourself and silver colleagues would be able to soon force remonetization; but as the session day by day draws nearer to its close, I am forced to the conclusion that we must still longer await that happy day.

Had we not had a change of administration, I doubt very much whether I should have had the courage to again plead for a fair price for this silver; but I can't believe that our beloved President and his "new dealers" will want to repudiate any of our money or take unfair advantage of any citizen, no matter how obscure or humble his status.

Assuring you, Mr. White, that all efforts in my behalf for simple justice in this matter will be greatly appreciated,

Respectfully yours,

FRANK DALY,
 Chairman Boise County Commissioners.

I desire to call your attention to the fact that silver money is being constantly withdrawn from circulation by banks turning in slightly worn or abraded coins for which they are paid full face value.

When the congressional party visited the Philadelphia Mint last year the party was shown a huge pile of silver coins, amounting to \$4,889,103.86, piled in the vault, worn and abraded coins, held out of circulation, for which the banks had been paid in full. This money was held in idleness and out of circulation at a time when business was experiencing the greatest money shortage ever known in this country. This was done as an economy measure because the item for recoinage had been stricken from the Budget by the previous administration. From the figures supplied by the Treasury Department, we find that at that time \$7,915,704.40 silver coin was withdrawn from circulation on account of being lightweight and abraded, and was lying idle in the mint and the Federal Reserve bank.

Surely, in view of the desperate need for money, the Treasury was following a very short-sighted policy in withholding this money from circulation.

The interest lost to the Government on this idle money has run into huge figures.

MAJ. JOHN WESLEY POWELL

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, ladies, and gentlemen of the House, at Jackson, Ohio, which is located in the district which I have the honor to represent, there is soon to be erected a monument to the honor of John Wesley Powell, one of America's greatest scientists and explorers. This monument is being erected by the Improved Order of Red Men, many of the ritualistic teachings of which have been taken from the life and writings of this great man.

Mr. Powell was born in New York in 1834, but was brought to Jackson, Ohio, at a very early age, where he spent most of his early life. There he soon showed that he was endowed by nature with very unusual mental acumen. His father was a minister who took a very active interest in the anti-slavery movement. Young Powell had opportunities to see and feel the ebbing and flowing of the currents of sentiment that moved the pioneer people with reference to this intensely human question. He frequently found himself in the presence of many brilliant, determined men who collaborated with his father in the cause to which they were all sincerely devoted. In this group were Salmon P. Chase, Joshua Giddings, and others of great prominence in the anti-slavery movement. He heard them as they fervently laid their plans to free an enslaved race, and his young spirit was fired with an ambition to achieve. His genius was recognized by one of that brilliant group, who took steps to en-

courage the lad and to remove him into an environment where his natural abilities could develop and unfold. In spite of the isolation and privations of pioneer life and the stunted finances of a preacher's family, young Powell pressed on over a course often beset with discouragements to the heights of learning reached only by geniuses. Although his scholastic attainments took him to heights where the common man could not reach, yet he was not beyond the reach of those sentiments of patriotism which move people in times of war. He interpreted Lincoln's call for volunteers as a command to him to match his learning and his life, if necessary, with the muscle and life of his fellowmen. The paths of glory are trod by the learned and unlearned, and these paths all "lead but to the grave."

His genius was soon recognized by his superior officers. General Grant reposed great confidence in his ability as an organizer and military strategist. As proof of his personal bravery and valor he continued throughout the greater part of the war as a one-armed soldier, for he had left one arm on the battlefield at Shiloh. He ranked as a major at the close of the war, and was always spoken of in after life as Major Powell.

The long, arduous service in the Army was not wasted time to this man of learning, for it made of him a man of action. It fired him with a desire for exploration. Vast unexplored regions attracted him. He surrounded himself with men and women who, like himself, were ready to risk all in the pursuit of knowledge. He led many expeditions which brought back facts concerning the fauna and flora and geological formations of the great vast plains of the West and the primeval forests of the North and Northwest. He had heard from the Indians many wonderful stories concerning the stupendous canyon of the Colorado River. This great river was unknown for much of its course to civilized man. Major Powell, still possessed of that intrepid spirit that carried him through countless difficulties, assayed the task of forcing from this dangerous river her theretofore hidden secrets. In 1869, with 10 picked men in four boats, he started on a perilous journey, which carried him through dangerous rapids and over many precipitous falls. He was the first to traverse the depths of the Grand Canyon. This task had successfully challenged the hardihood of the Indians who sought to dissuade him from his purpose. To Major Powell belongs the honor and distinction of having been the first conquerer of the dangerous Colorado. Congress took cognizance of this great contribution to science by causing a memorial monument to be erected to Major Powell and his men on a promontory of the Grand Canyon.

As a naturalist his contributions were such as to place him among America's leaders in that science. His travels in furthering his studies as a naturalist gave him great opportunities and impetus to further his studies in geology. His book entitled "Lands of the Arid Regions", published many years ago, set forth with marvelous insight the conditions of those regions and suggested methods by which the problems concerning these regions have been met by the Government. For many years he directed the work of the Bureau of Geological Survey for the Government.

The life of this great man was not devoted entirely to scientific research among rocks and trees and inarticulate animals, but his greatest work was his effort to tell the world of the origin, history, customs, and character of that great and noble race—the American Indian. To Major Powell more than any other man can be attributed the benevolent attitude which the United States Government has shown toward the Indian. Many long winter nights spent in study of the various Indian languages and in the piecing together of their myths and traditions brought to light many interesting facts theretofore unknown to the science of entomology. His study of the Indian from personal contact while making his many expeditions gave to the world many interesting facts which when told with the friendliness and sympathy that he had for this race enabled the Indian in the hearts and minds of Americans generally. The Indian shall forever live in the songs and chronicles of America so long as American history is writ-

ten. He has been the theme of many, many a song and many a story. The gripping portrayal of the virtues and noble characteristics of these—the first Americans—by Major Powell has been responsible in a large degree for the efforts of this great fraternity, the Improved Order of Red Men, in their attempt to teach true Americanism to Americans and to the world.

Major Powell's exhaustive study of the American Indian took him into the study of man in its broadest and most extensive phases. To anthropology he made many valuable contributions. He founded the Ethnological Bureau of the United States Government and conducted it for 23 years. This Bureau is considered as a model by the ethnologists of every land. The latter years of this great man's life were spent in Washington, D.C., where he was a familiar figure in all scientific activities of the Smithsonian Institution and of the United States Government.

He died in Maine in 1902 in his sixty-ninth year.

This great man was not only great in great things but he was also great when measured by his observance of those homely virtues which play a part alike in the activities of the great and in the annals of the poor. Of him an intimate acquaintance, Prof. S. P. Langley, Secretary of the Smithsonian Institution said: "I have been more impressed with the simplicity of his character than with the complexity of his knowledge and achievement." Sincere he was and truthful to the point of being unable to bring himself to hint the thing which is not nor even to allow the shadow of doubt in his way." Major Powell imbibed the spirit of the minister's home in which he was brought up. His knowledge of the Bible and things religious was as great as his knowledge in any other direction. Very early in life, to the great satisfaction of his devout parents, he had committed to memory the Gospels of Matthew, Mark, Luke, and John. As many another great American he found solace in contemplating eternity.

He accepted his father's philosophy of eternity upon faith and without calling for exact scientific proof. Science and religion did not conflict in him. Science for the mind and religion for the heart was his philosophy. His favorite hymn runs:

I will sing you a song of that beautiful land,
The far-away home of the soul;
Where no storms ever beat on the glittering strand
While the years of eternity roll.

Many years after his great voyage through the Grand Canyon he with a party of friends was viewing the wonders of this great work of God as the sun touched it with a flood of glory, and being overcome by its grandeur, he asked the group to pause while he sang:

Oh! that home of the soul, in my vision and dreams
Its bright jasper walls I can see,
Till I fancy but thinly the veil intervenes
Between that fair city and me.

This memorial is a fitting tribute to a great man. The early citizens of Jackson contributed no small part toward starting him on his illustrious career. The present citizens of Jackson and others are to be congratulated on their efforts to honor his memory that his life might be a light upon the pathway of future generations.

6-HOUR DAY—EMPLOYEES OF CARRIERS IN INTERSTATE COMMERCE

Mr. CROSSER of Ohio. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file minority views on the bill (H.R. 7430) to establish a 6-hour day for employees of carriers engaged in interstate and foreign commerce, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

RADIO ADDRESS BY HON. A. C. WILLFORD

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a very able address delivered by our colleague Hon. A. C. WILLFORD, of Iowa, over the radio.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio introduction by myself and address by A. C. WILLFORD, over leased wire from Washington, D.C., over radio station WMT, Waterloo, Iowa, 7:30 p.m., eastern standard time, on May 23, 1934:

Mr. BYRNS. May I say to the people of Iowa and particularly of the Third Congressional District that it is a great personal pleasure to say a word with reference to the record and standing of your Congressman, Hon. A. C. WILLFORD. No one in the entire Congress has a better record of loyalty and fidelity to the administration in its effort to create a new deal and to relieve the country from the depression of the 4 years which preceded the inauguration of President Roosevelt. No Member has given closer or more intelligent attention to pending legislation, and his ability, influence, and standing in Congress and the administrative departments of the Government entitle him to your active support and endorsement.

It is a high privilege to have been a Member of this Congress—the most important in my opinion that has assembled in our generation, and one worthy to rank with those outstanding legislative bodies which mark the new eras in the struggle for human progress. There has been a rebirth in this Nation of that Jeffersonian principle which places human rights above property rights; and the new deal, as President Roosevelt so aptly characterizes it, is no longer a theory. It may be modified; it may be changed; but in my opinion, just as surely as the sun shines in the heavens, this Nation will never go back to a condition, to a system, which permitted 2 percent of our population to hold 80 percent of our wealth.

In this great struggle your Congressman, Mr. WILLFORD, has played a most important part. He has stood like a rock for this great principle. No one has contributed more to uphold the hands of the President. By his reelection next November you will not only be serving your own district, but you will be serving the entire Nation. I am sure that I speak for the administration and for the Democrats in Congress when I express the hope that at the election in November you will give him a big majority and return him to Congress to continue the fight which he is making to relieve you and the people of our Nation, and for the restoration of our Government to the people to whom it belongs.

Before closing, may I express my own personal thanks to him for the able, active, and influential aid he has given me as Majority Leader of the House in the passage of those measures recommended by the President for the carrying out of his recovery program, and express the hope that both Democrats and Republicans of your district will return him to the next Congress to help complete the work of the present Congress with which he is so familiar.

MAY 23, 1934.

Mr. WILLFORD. My Democratic and Republican friends in Iowa, good evening.

Three weeks ago tonight I had the pleasure of addressing you over this station from the National Capital in the interest of my renomination as your Congressman from the Third District of Iowa, in the Democratic primaries on June 4. Since that time legislation has been moving rapidly. Tonight it is a pleasure to continue with this message.

A bill before the House at the present time is the regulation of the stock exchange. It has been amusing to me to note the men who are now opposing this measure. They say they are in favor of some sort of regulation but do not say what it is. A few years back when they were in power they did not warn the American people of the dangers that faced them, they did not protest against the unjust and cruel practices of the stock exchanges. The corruption of the stock exchange wrecked fortunes, ruined homes, and left homeless many innocent women and children. The farmers were being bled, the country was going to rack and ruin, and the small business man was losing everything he had. In the year of 1921 there were in the United States 21 people with incomes of \$1,000,000 a year or more. In 1928 it had grown to 511, and in 1929 it reached 513 who had incomes of more than a million dollars a year. These millions came from the American people. The highway robbers of the stock exchanges benefited at the expense of the American people. We are trying to prevent this in the future by the passage of this bill. I promised you 2 years ago I would do everything in my power to drive out the money changers, and I am keeping that promise. The enforcement of this bill will be delegated to the Federal Trade Commission, which is doing some of the greatest work that has ever been done by any agency of the Government. By its investigation of the utilities in the last few years, it has brought relief to the American people through a reduction of utility rates to the consumer of about \$118,000,000. A few days ago, in the State of Illinois, the Power Trust, seeing the handwriting on the wall, undertook to placate the people of Illinois and reduced their light and power rates over \$1,000,000 a year.

The lower House of Congress has recently passed what is known as the "tariff bill" of this administration, and the matter is now pending in the Senate and will be passed and signed by the President before this Congress adjourns. I regard this piece of legislation as one of the most constructive and most beneficial,

if not the very most important, that this Congress or any other Congress has enacted into law. This will give the President of the United States power to negotiate in the interest of farm products and factories, and will be the means of establishing more friendly trade relations with such countries of the world as we need to deal with. The benefits of this legislation will begin to unfold to the American people within a year. It is common sense written into law. It is absolutely necessary for the return of prosperity to the American farmer that he may have a market into which he may go with his products. This will bring great benefits to Iowa farm products and to the manufacturer.

During the Seventy-third Congress I have received from my friends and constituents many petitions covering many bills. I have always given heed especially to those solicited by the hands of toil, for they are my friends and need my utmost support at all times. They have sincerity of purpose and faith in me. I received petitions concerning the Frazier bill. I signed a petition to bring this bill on the floor quite some time ago. However, it does not look as though it will be possible to get this through this session, but I sincerely believe and hope we will be able to get a bill through whereby the farmer will not have to pay any higher rate of interest than that provided for in the Frazier bill of 1½ percent interest and 1½ percent on the principal. I think with any kind of a break the farmer can pay that much. It will be the means of keeping our farmers on their land. The farmer is the basic wealth producer of our country, and he must have a fair chance. If this bill is not passed during this session, it will be one of the first the next session.

I have also received petitions concerning the Capper-Hope-Wearin bill, controlling the direct buying of hogs and livestock. We were led to believe when the practice of direct buying was put into effect that it would benefit the farmer. Propaganda was sent broadcast and the farmer was hoodwinked into allowing it to go through. We have now found that direct buying should be controlled. It has affected the price of hogs in more ways than one, and the Capper-Hope-Wearin bill will regulate this so that the farmer will secure a better price for his livestock in an open competitive market. There is a question whether this will be passed during this session; and if not, it will also be one of the first to come up in the next Congress. Petitions have been received from railroad friends and employees of the railroads. I believe railroad legislation is necessary. Many bills have been presented, and I am greatly interested in the one that takes care of the railroad man in his old age. In other words, the pension. Every man who has served his 30 years or so with the railroad or who has been injured through accident in the service should receive a pension. I personally know many men who have spent the best years of their lives in railroad work only to receive a lay-off when their earning days were past. I am heartily in favor of such legislation as will rectify this condition.

Regarding silver: President Roosevelt has agreed to a silver basis of 75-25 percent. While this is not as great as many would wish, it is a step in the right direction. If silver can be recognized and have a 25-percent basis established, get new money into circulation, which we are sorrowfully in need of, we can then trade with 80 percent of the people of the earth. It will create new markets and extend our influence. It will reach down and help directly and indirectly every producer, manufacturer, and laborer. I believe the recognition of silver as a basic metal would be most essential. I cast my first vote for W. J. Bryan on his 16-to-1 policy, and I have been a Bryan advocate ever since. I have heard silver explained by some of the most able men in the country today, and I am thoroughly convinced that this change must be made before we can return to a normal state.

Senator JOHNSON, of California, recently offered a bill which provides that no credit be allowed a foreign nation that has not paid their interest and the installment on their war debts. These nations have been allowed to get away from paying their war debts and at the same time come to us for money to finance their great institutions. This bill has passed the Senate, and I hope it will be very favorably recognized in the House. Those who do not deal fairly should not be recognized in a monetary way until they come clean and pay their debts.

Regarding subsistence homesteads. This offers an opportunity for those who are crowded in the cities to get out and have a place of their own where they may bring up their children away from the city streets. It is now possible under proper regulation for the Government to purchase tracts of land, to build houses and make improvements, and the homes may be paid for over a long period of years in installments that can easily be met. I am trying to have some of these homesteads established in the third district and hope this can be brought about.

We have been visited this year with a condition no one could have foretold—the drought. The dust storms of the Northwest and the drought of the Middle West have wrecked the prospects of many tillers of the soil. Congress has decided that something must be done, and a meeting was held a couple of days ago of the Members of the stricken States. A committee was appointed consisting of one Member of each State and we of Iowa felt that the Honorable GUY GILLETTE should be on this committee. He is on the west of us and his district is in the area suffering most. Everyone suffering from this disastrous drought will be given assistance. A fund is being established and help will be given in every way possible. Examiners are on the ground now making a survey. I am going to make a personal effort to see that the people of my Third District are properly cared for and compensated for any loss they might suffer from the drought.

I must stay in Washington until Congress adjourns so that I may look after your interests. I have tried to play fair and square. Every man has the right to be a candidate for any office. I have no purpose to enter into a bitter campaign in these primaries for the honorable place I hold, because my record is well known and my constituents and friends, both Democrats and Republicans, do not need to be told. If other candidates believe differently, the people, who are not easily misled, always decide the issue. Those who have known me in Waterloo and the Third District of Iowa as a merchant for 25 years will not believe the barrage of falsehoods and misstatements which are beginning to appear from men who desire to hold the position I now occupy. Without the control of any press or news publication, but through the courtesy of a few loyal small-town newspapers and the radio, I have endeavored to keep my constituents advised of congressional proceedings from the standpoint of a participant, and not from that of critics who may be prejudiced because of their own candidates. I want to say again that I am proud of the Democratic Party under the leadership of President Roosevelt.

Good night.

BANK-DEPOSIT INSURANCE

Mr. STEAGALL. Mr. Speaker, I move that the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 3025) to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 3025, with Mr. FULLER in the chair.

The Clerk read the title of the bill.

Mr. STEAGALL. Mr. Chairman, the bill before the committee has two outstanding provisions and purposes. One is to postpone for the period of 1 year the permanent provision of the Banking Act of 1933 establishing a corporation to insure deposits in all member banks of the Federal Reserve System and in nonmember banks applying for membership and in position to show a condition of solvency to the satisfaction of the Deposit Insurance Corporation Board.

Under the act of 1933 provision was made for the insurance of deposits in both member and nonmember banks not exceeding \$2,500 for each depositor for the temporary period between January 1, 1934, and June 30, 1934, inclusive. Under the provisions of the bill now under consideration the plan for temporary insurance of deposits would be extended for the period of 1 year from the 1st of July 1934, until the 30th of June 1935, inclusive, and the amount of the individual deposit insured would be raised from \$2,500 to \$5,000.

The Banking Act of 1933 provided for raising capital stock of the Deposit Insurance Corporation. This was to be raised through subscription of \$150,000,000 by the Treasury of the United States, the further subscription of approximately \$140,000,000 by the Federal Reserve banks, this being one half of the total surplus of the Federal Reserve banks. Banks becoming members of the Corporation are required to subscribe for capital in an amount equal to one fourth of 1 percent of all deposits. This would establish a fund of about \$500,000,000. Under the temporary plan all banks participating in the benefits of the Deposit Insurance Corporation are assessed for the support of the fund an amount equal to one half of 1 percent of the insurable deposits of the bank, with the right of the Corporation to call for this assessment in two installments, and the further right, if found necessary and desirable, to call for an additional assessment in like amount, making the total assessment liability of banks under the temporary plan an amount equal to 1 percent of the deposits insured. The Board has assessed the banks one quarter of 1 percent of their insured deposits under the temporary plan. By this assessment the fund for the temporary-insurance plan has been raised by the amount of about \$40,000,000, making the total amount of the fund on hand at this time \$330,000,000. Should the Board call for the full assessment permissible under the temporary plan an additional amount of \$120,000,000 would be raised; this makes the available resources of the Corporation under the temporary plan about \$450,000,000.

The provisions of the bill under consideration raise the individual-deposit liability of the Insurance Corporation from \$2,500 to \$5,000. The assessment liability being based upon the amount of the deposits insured would make possible an addition to the fund of about \$8,000,000, according to estimates furnished by officials of the Corporation.

The best figures available indicate that the amount of additional deposits that would be insured under the bill now before us raising the amount of each individual depositor insured from \$2,500 to \$5,000 would be something between \$2,000,000,000 and \$3,000,000,000. This additional insurance, it is estimated, would cover an additional number of depositors to the extent of something like 2 percent of the total number of depositors insured.

It is estimated by the officials of the Deposit Insurance Corporation and by the officials of the Treasury Department that under the temporary insurance plan 37 or 38 percent or more of the total deposits of banks insured are now covered by the provisions of the temporary plan. So that if we raise the amount from \$2,500 to \$5,000, we shall have insured 40 percent, or possibly 45 percent, of the total deposits of the banks belonging to the Deposit Insurance Corporation under the temporary plan.

Mr. BEEDY. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Maine.

Mr. BEEDY. Will the gentleman give us the amount of additional liability involved in this plan?

Mr. STEAGALL. I have just stated that the officials of the Deposit Insurance Corporation estimate that there will be an additional number of depositors to the extent of about 2 percent; and from two to three billion dollars additional deposits would be covered and that the additional assessment made possible would amount to something like \$8,000,000. I think I have made the situation clear.

Under the permanent plan, which according to existing law, will become effective on the 1st of July this year, all deposits up to \$10,000 would be covered in full; all deposits between \$10,000 and \$50,000 would be insured at 75 percent and all deposits above \$50,000 would be insured to 50 percent of the excess.

Under the permanent plan, the banks will be required to subscribe for stock as the capital of the Corporation in the amount of one half of 1 percent of the total deposits of banks participating in the benefits of the Corporation. There is in the bill provision that in the event the funds of the Corporation be depleted to a point where the amount is less than one fourth of 1 percent of all deposits of banks belonging to the Corporation, the Board shall levy an assessment against all members of the Corporation in an amount equal to one fourth of 1 percent of their total deposits. It will be seen, therefore, that under the permanent plan, the banks belonging to the Deposit Insurance Corporation will be unified for the protection of depositors. It is a mutual-insurance plan.

Under the permanent plan, when a bank becomes insolvent, if it is a national bank the Deposit Insurance Corporation would step in and take charge of the assets of the institution, paying off all insured depositors either in cash or by substitution of a deposit obligation for which the new bank would be responsible. The new bank to be established would step in when the original institution was declared insolvent, and operate for a period of 2 years as a clearing house, having the benefits and the facilities of the Federal Reserve System without requirement of stock subscription to the Federal Reserve, as in the case of ordinary member banks.

The new bank would operate to carry on the business of the old bank or liquidating its assets, paying off depositors, and conducting a clearing house, in the meantime giving opportunity to the former stockholders, if desired by them, and, if not, to other citizens of the community to come in and organize a national bank. But if no such organization be had at the end of 2 years, the Deposit Insurance Corporation would terminate the operation of such bank.

Under the temporary plan now in effect, and which has been in effect since the 1st of January of this year, all member banks of the Federal Reserve System have become members of the corporation, and about 90 percent of the non-member banks, trust companies, and mutual savings banks of the country. The banks insured at this time under the temporary plan have deposits of approximately \$15,000,000,000.

The officials of the Deposit Insurance Corporation advise us that there are administrative difficulties which make it seem prudent and necessary to extend the temporary provisions of the act for another year. Under the law nonmember banks to be insured after the 1st of July must be certified as solvent. National banks must be certified by the Comptroller of the Currency for membership in the Deposit Insurance Corporation. State banks belonging to the Federal Reserve System or member banks other than national banks must be certified by the Federal Reserve Board for insurance after the 1st of July.

We can all appreciate the stupendous task that confronted the banking officials of the country following the collapse that occurred in March 1933. It is fair to say that these officials have performed a gigantic task with great credit to themselves and to the Nation. It was said by many that it was folly to attempt to inaugurate the temporary insurance plan on the 1st of January of this year, but the contention proved to be unfounded.

In that connection may I read part of a resolution that was adopted by the American Bankers' Association in their annual meeting last fall? I quote from an extended resolution adopted in that meeting:

The American Bankers' Association hereby records its deliberate judgment that the dangers involved in attempting to initiate at the beginning of 1934 the provisions for deposit insurance contained in the Banking Act of 1933 are genuine and serious.

In this resolution request was made that President Roosevelt take steps to prevent the effectiveness of the deposit-insurance provision of the Banking Act on the 1st of January 1934. Of course, such request to the Chief Executive to set aside a solemn enactment of the Congress of the United States was, to say the least, a futile thing.

The task was accomplished, and the record shows that until this hour there has not been a bank failure in the United States among the banks that belong to the Deposit Insurance Corporation. [Applause.] During the months that have passed this year the Deposit Insurance Corporation has been making a profit of a million dollars a month. [Applause.] Throughout the length and breadth of the land the story comes to us that money has been returned from hiding, that deposits have increased, that confidence has been revived, and the officials of the American Bankers' Association now tell us in less than 6 months following the time the law became operative on January 1, in face of their dire predictions, that the plan has worked successfully, that it has restored confidence, that it has helped to revive business, that it is a wholesome policy, and should forever stand as a permanent part of the banking law of the Nation. [Applause.]

Mr. SIROVICH. Mr. Chairman, will the gentleman from Alabama yield?

Mr. STEAGALL. I yield to the gentleman from New York.

Mr. SIROVICH. No one appreciates more than I the brilliant accomplishments of the distinguished Chairman of the Committee on Banking and Currency and his colleagues in the enactment of the guaranty bank deposit bill. I feel, sir, that long after you have passed out of political existence this bill will remain a monument to your magnificent accomplishments. Is the honorable Chairman of the Committee on Banking and Currency willing to give assurances to this House that so long as he remains chairman of this committee, next year this bill will become permanent law in the stabilization of the banking system of our Republic?

Mr. STEAGALL. I want to thank my friend for his generous and kindly reference. I appreciate it especially

coming from him, because of his splendid abilities, and peculiarly because of his special interest in the legislation before us and in what has been accomplished by the efforts that have been put forth in this connection.

I may say to the gentleman that among the many Members of this House who have faithfully and loyally and valiantly stood with those of us who are making this fight none has rendered better service than the distinguished gentleman from New York. Let me say to my friend that I bring him the good news and the glad tidings that everywhere we are assured that there will be no serious efforts to repeal the deposit-insurance provisions of the Banking Act of 1933 [applause], and I am sure I need not assure my friend that I will stand in the future, as I have during the past 15 years, for protection of depositors in the banks of the United States. So long as I am a Member of this House my services will be devoted to the preservation of this law, which I regard as of vast and vital importance to the citizenship of the Nation and as an indispensable part of any comprehensive program of business recovery. [Applause.]

Mr. BIERMANN. Will the gentleman yield?

Mr. STEAGALL. I am pleased to yield to the gentleman from Iowa.

Mr. BIERMANN. It might be appropriate at this time to call attention to the fact that in 1913, when the Federal Reserve Act was under consideration by this Congress, the American Bankers' Association in session at Boston unanimously denounced that bill in as strong terms as they denounced the gentleman's bill, and their predictions regarding the Federal Reserve Act proved as false as their predictions regarding the gentleman's bill, and is it not fair to assume that, perhaps, the American Bankers' Association is not at all times an infallible prophet as to what may come from legislation enacted by this body?

Mr. STEAGALL. Undoubtedly that is true. This may be said of our bankers. I have no desire to criticize them or to abuse them. They are the same kind of people we are. They are engaged in one kind of business and we are engaged in another kind of business. If we were engaged in the business in which they are engaged we would generally do as they do and, perhaps, if they were engaged in the business we are, they would make, perhaps, the same mistakes and have the same faults that we have. It is fair, however, to say that when the great Federal Reserve Act was under consideration in the Congress, the large banks of the country swarmed the corridors of this Capitol and filled the air with dire predictions of chaos and confusion and panic and destruction that would follow the passage of that law.

The fact was that under the Federal Reserve Act we experienced a large expansion of bank credit in support of business in the United States. Under that law we experienced a prosperity unparalleled in the Nation's history, and the leading bankers of the country have told us over and over again that it is the greatest legislative enactment in half a century; that under that law we were able to finance the World War and bring it to a speedy conclusion, preventing the sacrifice of the lives of untold thousands of the boys of America who would have lost their lives by the delay of victory. In less than a year after the passage of the Federal Reserve Act any proposal of repeal would have been met by bitter and uncompromising opposition of our bankers.

Mr. MARTIN of Colorado. Will the gentleman permit a brief contribution to his remarks?

Mr. STEAGALL. I will be pleased to.

Mr. MARTIN of Colorado. A few days ago I received a letter from a prominent State banker in my district who was opposed to the insurance of bank deposits, stating that since the 1st of January the deposits in his bank have been rapidly and continuously increasing.

Mr. STEAGALL. That story comes from every corner of the continent.

Mr. COLDEN. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. COLDEN. I should like to ask the gentleman if he has any estimate of the increase of deposits under this system of insurance.

Mr. STEAGALL. There is no way by which we can make an accurate statement as to the increase in deposits. It is recognized by all that there has been a very substantial increase and, primarily, in the return to the banks of money that had been in hoarding prior to the effectiveness of this act on the 1st of January 1934. The same report comes from every direction. I should say that there has been an increase of probably \$10,000,000,000 in deposits that can be accounted for only by the restoration of confidence that has been brought about by the passage of the Deposit Insurance Act.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question?

Mr. STEAGALL. I am delighted to yield to the gentleman from Texas.

Mr. BLANTON. During the framing of this bill, there appeared before the gentleman's committee a distinguished gentleman from my native State, Hon. Thomas B. Love, who had much experience with the State Banking Department of Texas and the guaranty fund there, before he became a State senator. I should like for the gentleman to explain the urgent necessity of carrying on this insurance and also the information that he got from Senator Thomas B. Love about our State guaranty law of Texas which we tried out there that was of value to the committee.

Mr. STEAGALL. I may say to my friend that I have undertaken to explain some of the reasons for the extension. The gentleman was in a conference at the time. The gentleman is entirely correct in reference to the distinguished citizen of Texas, Hon. Thomas B. Love, who appeared before our committee. He has been helpful to me and to others who have put forth efforts to secure the enactment of this legislation, and his statement before our committee received most earnest consideration. Of course, it is impossible here to review entirely the contentions of the gentleman from Texas, but I assure my friend that everything submitted by Mr. Love was received as it should have been by our committee. I will say in this connection that this bill does not represent entirely the views of any member of the committee. This measure represents the labors and prolonged efforts of the Banking and Currency Committee of the House to reach a composite judgment as to the wise and constructive course under all the circumstances.

There are administrative difficulties that have been pointed out by officials of the Government, including officials of the Federal Deposit Insurance Corporation; some of them are in sympathy with this legislation, and who want to see it succeed. Some of them are officials of the Deposit Insurance Corporation and sincerely desire to see it preserved. These officials have accomplished a colossal task in inaugurating this system, and have made a remarkable success of the undertaking down to this hour.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MAY. Mr. Chairman, I should like to ask the gentleman this question. No doubt the gentleman remembers that when we met here on the 4th day of March 1933, practically all the banks in the United States were closed and those that were not closed were about to be closed, and, finally, were closed by order of the President. It was necessary to reopen these banks, and I am interested, along with a good many others in the United States, in knowing whether or not it is the purpose of the committee or what is the sense of the committee on the question of this temporary measure ultimately becoming a permanent feature of our statutes guaranteeing bank deposits?

Mr. STEAGALL. I will say to the gentleman that I am sure he knows my heart is in this legislation for the protection of depositors. I can assure my friend that the members of the Banking and Currency Committee are agreed that the provision for the permanent insurance of bank deposits in the United States shall not be repealed. [Applause.]

Mr. COX. Mr. Chairman, will the gentleman from Alabama be kind enough to yield?

Mr. STEAGALL. I yield to the gentleman from Georgia.

Mr. COX. I regret I did not hear the gentleman's statement made on yesterday, and I am sure the gentleman already knows something of the estimate that I place upon the banking act of 1933, a part of which is the insurance of deposits provision. The response that the country gave to this legislation was most favorable—I think the most favorable reaction that has pertained to any legislation adopted since we entered upon this recovery movement. My opinion is it is the most important contribution the Congress has made to recovery, and I wish to particularly compliment the gentleman from Alabama, who has lived in this question for 20 years. I am wondering, however, just where the influence comes that has operated upon the gentleman and his committee to the extent of the committee coming in with this bill proposing to defer putting into effect the permanent provisions of the bill for another year.

The gentleman will recall that it was the larger banking institutions of the country that resisted the enactment of the measure, in the first instance, and that immediately upon the passage of the law they initiated a movement of propaganda carried on throughout the country, drawing in the heads of State banking set-ups, and wherever possible, likewise drawing in the smaller bankers.

What I should like to know is just why, in view of the wonderful benefit that resulted from the enactment of the measure, as I am sure has been testified by thousands of small bankers in the country, the committee now comes and asks for legislation deferring putting into effect the permanent provisions of the law.

May I say this, too, and I mean it as a compliment to the gentleman and his committee. Somehow I have the feeling that, except for some influence that comes from some other source—not a bad influence at all, but reasons with which the House is not acquainted—or if it were left to the gentleman himself, he would proceed to see that the law is carried into effect as it was adopted a year ago.

Mr. STEAGALL. Let me say to my friend that I am somewhat of a partisan with reference to this legislation, because I have worked on the problem for many years and have introduced bills before the Banking and Currency Committee for 15 years looking to the establishment of a plan for the insurance of bank deposits. The best labors of my life have been devoted to this great reform.

The gentleman can readily see that any step I would sanction in connection with this legislation must be the action of a friend or partisan advocate of the measure.

Let me call the gentleman's attention to the fact that when this legislation was passed in 1933 we were in the midst of an unprecedented economic collapse in the United States. The banking structure of the Nation was prostrate and in ruins. We had to begin at the ground in rebuilding that structure, and it is being rebuilt with a success and a rapidity that must be gratifying to every citizen of the Nation.

I have stated, while my friend was not present, that there are many administrative details that must be worked out in putting this permanent insurance plan into final operation. It is necessary that national banks shall be certified by the Comptroller of the Currency, and that State banks in the Federal system shall be certified to the Insurance Corporation by the Federal Reserve Board.

There are States where legislation is necessary before State institutions eligible to membership in the Corporation can be prepared to join and receive the benefits of the act.

In view of these facts, the recommendations of the Deposit Insurance Corporation, the Comptroller of the Currency, and the administration was that we should go forward with this great constructive program by gradual processes, making sure of our way, assuring ourselves that every forward step was a safe step, that all grounds taken could be held safely and securely.

It is for these reasons that the administration reached the conclusion that we should defer for a year the effectiveness of the permanent plan of insuring deposits.

Now, let me say in that connection that an achievement so colossal as this may well be worked out by gradual processes and by compromises of opinion, as all great legislative achievements are accomplished. Some of us have waited a long time. We can afford to wait a little longer, and especially, in view of the fact that we are increasing insurance in an amount that represents a substantial advance.

Mr. COX. Will the gentleman yield?

Mr. STEAGALL. I am glad to yield.

Mr. COX. If the question I propounded to the gentleman has resulted in the fine statement he has made, giving reasons why the committee comes in with this recommendation, I am glad that I asked the question. Otherwise the country might have felt that it was somewhat yielding to the larger financial institutions who were violently opposed to the law in the first instance, and still are opposed to it.

Mr. STEAGALL. I know the gentleman would not imply that the committee or the administration would yield to the importunities of selfish influences. If any such suggestions were made the answer would be that if there had been such a disposition on the part of the Banking and Currency Committee this original bill would never have been enacted into law. [Applause.]

In spite of the protest of the big bankers and over the most powerful and insidious lobby that ever sought to influence the action of Congress the bill was passed.

I want to say to my friend from Georgia, who so ably represents a section similar to that which I have the honor to represent, that I know the sentiments of his people. They are the same as mine. I wish to say to my friend, I give you the assurance of the committee that brings this bill here now, and I am authorized to add to that the highest assurance of this administration that the program for the insurance and protection of bank deposits in the United States is to be made permanent, and that no plan for repeal will be tolerated in the next Congress. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MAY. No doubt the gentleman's committee heard the testimony of experts of banking in the Government and out of the Government, and the report of the committee shows there has been a vast increase in deposits in banks, particularly in rural sections, since the enactment of the Banking Act of 1933. To what extent does the gentleman feel from the evidence heard and from his knowledge of the situation were those moneys that came out of hiding into the banks caused by the act of 1933?

Mr. STEAGALL. I say, as I said yesterday afternoon, there is no way to ascertain accurately and mathematically what the increase in deposits has been nor what portion of increase is traceable to the enactment of the deposit insurance law, but from one end of the Nation to the other we receive the report of an increase. There was an increase in member reporting banks of a billion and a quarter dollars in 2 months of this year.

If we use these figures for comparison, we would be able to make a statement with reasonable accuracy that there had been an increase seven and a half, or possibly \$10,000,000,000 since this law went into effect, and a large portion represents currency that had been hoarded and which was returned to the banks as a result of the restoration of confidence accomplished by this legislation.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MARTIN of Colorado. As the gentleman will recall, the original bill was in conference several weeks during the special session, so long, in fact, that there was much private talk around the House that it was dead in conference, and as a result of that delay and talk there were 100 of us, and I was one of them, who signed an agreement in writing that we would vote against adjournment until that conference report was brought in. I wish the gentleman would tell the House what foundation there was for the rumor that the bank insurance deposit bill would be permitted to die in conference.

Mr. STEAGALL. The inquiry invites me into a field that would take considerable time, and it is important. If we were not in the particular situation that makes it desirable to conserve time in order to finish the bill today, I should be happy to discuss it at length. The gentleman can understand that there were differences in the conference committee. My friend knows the personnel of the conference committee. Of course, there had to be compromises of opinion, and it was the adjustment of differences of opinion that delayed a report upon that bill. All agreed to things which would not have been supported as independent legislation. That was true on the part of the Senate as well as on the part of the House of Representatives.

Mr. MCGUGIN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MCGUGIN. I understood the gentleman to say the deposits increased \$10,000,000,000.

Mr. STEAGALL. I did not say that. I say it is only an estimate. It might reach that amount.

Mr. MCGUGIN. How much does the gentleman think the guarantee of funds was really responsible for bringing out of hoarding?

Mr. STEAGALL. I have just said that a large portion was undoubtedly hoarded money returned to the banks as a result of restored confidence.

Mr. MCGUGIN. There are only from five to six billion dollars of currency altogether.

Mr. STEAGALL. I thought I made that clear, that only part of the increase in deposits represented cash returned to the banks.

Mr. MCGUGIN. The gentleman speaks about this fund that is now about \$340,000,000. How long does the gentleman think it would work if we had a bank crisis such as we had a year ago?

Mr. STEAGALL. If we had a bank crisis such as we had a year ago it would not work, because all the banks in the United States would be closed. If we base our calculation upon the history of this country from the foundation of the national-bank system down to the collapse of last year depositors would have been fully protected. There will be no collapse of the banks through loss of confidence and withdrawal of deposits resulting in the ruin of solvent banks as has happened many times in the past. Under the permanent plan of insurance the system could not fail because all banks are unified in a mutual insurance plan.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MAY. In order that I may respond to the remark of the gentleman from Kansas [Mr. MCGUGIN] on the subject of the impossibility of five to ten billion dollars of deposits coming out of hoarding, because there was not that much money in circulation in this country. I remind the gentleman from Kansas that there are \$38,000,000,000 to \$40,000,000,000 of deposits, not all represented by cash deposits, and the increase in cash in circulation would not have anything to do with it.

Mr. MCGUGIN. Surely; but if there was hoarding.

Mr. STEAGALL. There was a billion to a billion and a half dollars in hoarding, according to estimates, and nobody assumes that there is now any substantial amount of money in hiding because of lack of confidence in the banks.

Mr. MCCLINTIC. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MCCLINTIC. Has the Federal insurance fund lost any money due to the enactment of this law?

Mr. STEAGALL. I stated yesterday in the first portion of my remarks, and I repeat, that under the operation of the temporary plan since the 1st of January, this year—the plan the American Bankers Association denounced as impossible in the meeting last fall—there has not been a single bank failure among the banks belonging to the Deposit Insurance Corporation, and no depositor in a bank that belongs to the Corporation has lost a dollar. [Applause.] So, far from having imposed an undue burden on the banks,

the record shows that the Deposit Insurance Corporation is making a million dollars a month profit. [Applause.]

There is one other thing about the permanent plan that is dealt with in this bill to which I desire to direct attention. When the conferees agreed upon the bill last year, we accepted a provision that nonmember institutions could not remain as members of the Deposit Insurance Corporation after July 1, 1936, without joining the Federal Reserve System. We have placed in this bill a provision which strikes that requirement from the Banking Act of 1933. [Applause.] What we are trying to do by this legislation is to preserve to future generations a system of independent community banks in the United States. These small banks, scattered throughout the length and breadth of this land, institutions built up out of community spirit and community pride, for community development and for the promotion of community life, constitute the mudsill of the economic structure of the United States. [Applause.]

There are some of us in this House who do not intend to allow that system to be destroyed if it is in our power to prevent it. [Applause.] I want to see a banking system that respects the character of the citizen who appears at a bank window for an extension of credit. I do not believe in the standardization of banking. I do not believe in a system that discounts human character. You cannot develop character in people unless character is to be respected and accorded its value. Many of you can recall an instance when you have seen a young man coming of age unable to complete his course in school because of the loss of his father. He goes to the local banker, not a branch bank whose main office is 100 or 1,000 miles away, but to a man of his own community. The families live in frequent contact; they intermarry; they bury their dead in the same cemetery. They know one another and how properly to appraise character in the community. The young man says: "My father has passed away and I want to finish my education. I haven't got the money; we have nothing but the old home and the farm, but my mother will sign." The banker says: "Yes; take the money and go. I knew your father. I know your mother. I know you will repay. Sign the note." He signs and he finishes his schooling. He comes back and makes a good citizen, honoring the name that he bears—and the bank is repaid.

This is the history of community banking in this country. God forbid that the time shall ever come when human character does not command value at the window of a bank as it does at every other worthy institution in the United States. [Applause.] This is the system we are fighting for in undertaking to preserve independent community banking in the United States. Some of us of the Committee on Banking and Currency are making this fight. You do not know the battles we have had to fight. If you will stand by us, we will preserve community banking in the United States.

Now, let us consider the temporary plan. Can the banks bear the burden? As I explained yesterday, by increasing the amount insured from \$2,500 to \$5,000 we only add a small amount. It is estimated less than three billions. The law at present only makes possible the assessment of 1 percent against banks participating in the benefits of the Corporation. We have assessed only one quarter of 1 percent, although it was estimated it would require 1 percent originally, and we have not used a penny of the money raised by this assessment of one quarter of 1 percent because the Corporation has not lost a dollar. It is not contemplated there will be any call for any additional assessment, but if it should be made, the assessment would be trivial, because the actual increase in deposits insured would be small.

Let me call attention to this: Under the Banking Act of 1933 the banks no longer pay interest upon demand deposits. Do you know what that means to the banks of the country? When some banker comes complaining about the little burden of deposit insurance show him the figures showing the saving to the banks through the provision which prohibits the payment of interest on demand deposits. Ask why he is not willing to apply to the banking business the same rules that apply in every other field of busi-

ness activity. Bankers have insured themselves against their own carelessness; they insure against the crookedness of employees; they insure themselves against acts of Providence. Everywhere throughout the civilized world business men accept the soundness of the principle of insurance, except a few big bankers. I am glad to say there are only a few, because the great bulk of the bankers of the United States now favor insurance of bank deposits.

I want to show you what is saved to the banks by the provision that dispenses with the payment of interest on demand deposits.

Mr. MAY. Correspondent banks?

Mr. STEAGALL. No; this applies to member banks of the Federal Reserve System as to interest on demand deposits. For the 5-year period ending October last, member banks of the Federal Reserve System paid out \$1,230,242,000 as interest on demand deposits, an average annual payment of \$246,048,500. These are the figures disclosed by member banks alone. Multiply this by two, to be conservative, and the figures prove unquestionably that by this provision which prevents the payment of interest on demand deposits the banks will save half a billion dollars a year.

In this connection let me say that for the first 65 years of the operation of the national banks in this country the total financial losses to depositors amounted to only \$45,000,000. Down to 1930 the final losses to depositors in national banks amounted to only \$82,000,000. In 1931, the worst year in the history of our banking, eight tenths of 1 percent of the deposits in national banks would have paid all the losses of that year; and it was the worst year in our history, which anybody would consider as a guide.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. PATMAN. Although the banks are saving half a billion dollars this year on interest, they have only actually paid into this fund \$39,000,000.

Mr. STEAGALL. Yes; I explained that yesterday. In round figures the amount paid to support the temporary insurance plan is about \$40,000,000.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. MAY. Does the pending bill prohibit a bank which carries deposit insurance from paying to its customers the 3- or 4-percent interest banks used to pay on certificates of deposits payable on demand?

Mr. STEAGALL. They do not any longer pay interest on demand deposits.

Mr. MAY. Are they prohibited from doing so?

Mr. STEAGALL. Yes; in addition to that, by the act of 1933, we terminated the carrying of checking accounts in the Postal Savings System. Ultimately this will result in the return of \$1,000,000,000 to the vaults of the banks of the country in the form of deposit balances. Deposits in Postal Savings reached the enormous sum of one and one half billion dollars.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield for a question?

Mr. STEAGALL. I yield.

Mr. HASTINGS. Surely the gentleman is not going to close the debate without discussing and analyzing the most important section of this bill; namely, section 4, which provides for loans on the assets of banks which failed prior to January 1, 1934.

Mr. STEAGALL. I have more figures that I should like to submit, but I will not go into them. I wish to say that collections upon assets of all closed national banks down to October last year amounted to 77.79 percent. These figures were given by the Comptroller of the Currency.

Now, coming to the subject mentioned by the gentleman from Oklahoma, I had intended to discuss that provision in detail, but I cannot do so because of the lack of time. The Banking Act of 1933 provides that the Deposit Insurance Corporation shall employ a portion of its funds—and this applies to the temporary plan as well as to the permanent plan—for loans upon or purchase of the assets of closed banks; but, the benefits are limited to banks that

are members of the Federal Reserve System. Under the pending bill these provisions are extended to apply to all closed banks. As the law stands today the Deposit Insurance Corporation may expand its deposits three times. The bill which the administration first outlined for the extension of the temporary plan provided that this expansion of obligations should be guaranteed by the Treasury. In order to take care of the matter of deposits in closed banks, we provide in this bill for the expansion of the funds of the Corporation five times, to be guaranteed by the Government, and authority is granted the Corporation board to employ half of the expansion for the relief of depositors in closed banks, including all types of banks.

Let me say that the Corporation officials advise us that by a prudent administration of this act in making loans and purchases upon a fair valuation, as the bill provides, in contemplation of an orderly liquidation, that they will be able to unfreeze something like \$1,000,000,000 of deposits in the banks of the Nation. There are 1,000 banks that have never applied to the Reconstruction Finance Corporation either by conservators or liquidating agents. The Reconstruction Finance Corporation has unfrozen \$780,000,000. The Corporation appraises assets on an average at 66½ percent and loans on a basis of 75 percent. The loans made amount to about 27 percent of total assets in banks upon which loans have been made. It is estimated that deposits in the amount of \$1,000,000,000 can be unfrozen by the Deposit Insurance Corporation. If administered as we have a right to expect, this bill will result in a substantial measure of relief that will be felt throughout the Nation. [Applause.]

Mr. LUCE. Mr. Chairman, before going on with the general discussion perhaps I can be of service to some of the Members who are receiving inquiries as to the proposal to repeal the provision of the banking act of last year which required directors to own \$2,500 of stock. A separate measure touching this subject passed the Senate, is now pending in the House, and possibly might be reached later under suspension of the rule; but that we might have two strings to our bow we have also put it in the pending bill, where it will be found on page 9 as subsection (c). Members may, I feel confident, tell their correspondents that either by one measure or the other the desire to reduce this requirement to \$1,000, as it was before, will be met before the end of the session.

Resuming the debate, Mr. Chairman, when in October of 1931 the leaders in both branches of Congress promised President Hoover their support for the quick enactment of four proposals, one of which was for the relief of depositors in closed banks, the introduction and care of the measure to that end in the House was intrusted to the gentleman from Maine [Mr. BEEDY]. No man in the House is better qualified to tell the story of that matter than the gentleman from Maine. I therefore yield to him such time as he may desire.

Mr. BEEDY. Mr. Chairman, after having consumed the larger portion of the afternoon on national-park legislation in Florida, we have at last arrived at the point of discussing the much-needed, long-prayed-for, the much-sought, and much-fought-for legislation for the relief of depositors in failed banks.

When the depression became marked in its consequences, as it did in the fall of 1931, some of you will recall that we assembled in this Chamber and listened to a message of the then President of the United States, who recommended four recovery measures and appealed for the nonpartisan support of his program by all Members of the Congress, regardless of the sections which they represented or the political belief which they entertained.

He first advocated the subscription for more stock in the Federal land banks by the Treasury of the United States, and the Congress patriotically supported that measure. He then recommended the setting up of the Reconstruction Finance Corporation, and the Congress patriotically supported that recommendation. He then advocated the establishment of the home-loan discount banks, and we adopted

that legislation. He then advocated relief for depositors in failed banks, and I read a brief section from his message, as follows:

A method should be devised to make available quickly to depositors some portion of their deposits in closed banks as the assets of such banks may warrant. Such provision would go far to relieve distress in a multitude of families, would stabilize values in many communities and would liberate working capital to thousands of concerns. I recommend that measures be enacted promptly to accomplish these results and I suggest that the Congress consider the development of such a plan through the Federal Reserve banks.

In pursuance to this recommendation, and bespeaking the fourth point in that recovery program, the Representative from the First District of Maine introduced in the House on the 9th day of January 1932, H.R. 7370, a bill to provide for the advancement of funds to receivers of insolvent banks and for other purposes. I am sorry to have to say to this House that that bill was never given a hearing in our committee. The Democratic majority refused any hearing although it was many times requested.

The gentleman who has just taken his seat, Chairman STEAGALL, of Alabama, says that in his attitude toward Federal deposit-insurance legislation he has never been partisan. I commend him for it, and I wish that he had emulated the standard which he set in reference to his deposit-insurance legislation by pursuing the same course toward the legislation which was proposed for the relief of depositors in failed banks by President Hoover. But I know the pressure that was brought to bear upon him. I suppose the facts of the case are that the edict went out that anything to be done along that line was not to be permitted in that Congress—that the new administration wanted credit for it.

This bill, H.R. 7370, which we introduced in January 1932, called for the setting up of a separate corporation to do nothing else but minister to the needs of failed banks. It asked for a modest capital of \$150,000,000, \$100,000,000 of which were to come out of the United States Treasury and to cover a subscription for class A stock of the corporation, and \$50,000,000, in compliance with the recommendation that some system be devised through the Federal Reserve banks, was to be subscribed by the 12 central Reserve banks in proportion to the surplus which they had on the day that the act became effective. The corporation was authorized to issue notes and debentures to four times the amount of its capital stock. We only dared ask for \$600,000,000 at the start. The help of that corporation was to be extended, just as this present bill now pending extends it, to all banks, National and State, member and nonmember. I am talking now about the bill that died in January 1932, when banks all over the country were pleading for relief.

We had recommended the R.F.C. We had recommended this corporation for the relief of banks. Whereupon the cry went out that we were aiming to help the rich man, but that we were forgetting the poor man. We have all learned a lesson in this depression. We have learned that, if you help to sustain the industrial and financial structure—regardless of the individuals or persons in whom title to that structure is vested—that by reaching out and giving aid to those who have something, you aid those who have nothing but their daily labor to depend upon. We know now that those who have only their labor to sell are helped when those who have capital are put in a position to employ that capital in giving employment to labor. So I think in fairness it ought to be said that the recovery program recommended in the fall of 1931, if we had been able to carry it through, would have reached down and helped everybody.

Hindsight is always better than foresight, and I desire not to make any extravagant statements, but today I feel confident that if we had had the courage to ask for \$6,000,000,000 to be paid to insolvent banks by that corporation which was to have been set up under the provisions of the bill we introduced in January 1932, and if we could then have had the patriotic support of every man and woman in this Congress we would have saved the country the severest blows of the depression. How? We would have enabled the corporation

to say to every bank in this country: "There is money available for every depositor in every bank in the Nation if he wants it", and knowing that he might have his money, no depositor would have taken it out of the bank. The banks would thus have been liquid. Money would have been available for industry, and we would never have had that black 6th of March when the banks of the Nation were closed. Securities would not have been dumped on the market in a frantic effort to realize assets for the banks, therefore prices on the security market would have held up, and by this time we would have come out of the depression. I am saying that one of the most vital steps that should have been taken in the winter of 1932 the Congress failed to take because no hearing could be secured on H.R. 7370.

Let us be perfectly fair to the powers that were at that time. They immediately wrote into the R.F.C. law a provision which reads as follows. After granting certain powers to the R.F.C., including the authorization of loans, the act was amended to read "including loans secured by the assets of any bank that is closed or in process of liquidation to aid in the reorganization or liquidation of such banks, upon the application of the receiver or liquidating agent", and so forth.

Two hundred million dollars was the limit of money that was provided in this amendment to the R.F.C. Act, which was approved on January 22, 1932.

Subsequently this amount thus to be loaned was increased, and there has been lent by the R.F.C. to date about \$800,000,000 upon the assets of failed banks, a sum entirely inadequate to meet the needs of the situation; confessedly so, else the present bill would never be before this body.

Mr. STEAGALL. Mr. Chairman, will the gentleman yield to me briefly?

Mr. BEEDY. Yes; I yield to my chairman.

Mr. STEAGALL. I am not quarreling with the gentleman at all.

Mr. BEEDY. I have been in the House 13 years, and I have never had the time until today to make the speech I want to make. I dislike to be interrupted, but I will yield to the gentleman.

Mr. STEAGALL. I am not quarreling with the gentleman, but I wish to ask him if it is not a fact—and it is the fact—that the provision in the R.F.C. Act of 1932, in which this measure of relief for depositors in closed banks appears, was written into that bill by the present Chairman of the Committee on Banking and Currency, because I wrote it with my own hands.

Mr. BEEDY. Yes. Exactly so. I had not intended to say it, but you now make it proper for me to say that after we had introduced H.R. 7370 and while we were pleading for a hearing on the bill, the gentleman wrote that section in question and had it slipped into the R.F.C. Act in order that the bill we were sponsoring might die a quiet death. I repeat that I wish the Chairman of our Banking and Currency Committee had been as nonpartisan in his attitude toward this tremendously important legislation as he was toward the legislation providing Federal insurance of deposits.

In June 1932 the Democratic Party met in convention in Chicago. It was said in debate this afternoon that there was a story behind the Everglades Park project. But, in the words of William Shakespeare, if you think there was a story behind that project, "you ain't heard nothing yet."

Let me read this provision in one of the planks of the Democratic Party, written in the summer of 1932, after the bill H.R. 7370 had died in committee in the winter previous. Here it is:

We advocate quicker methods of realizing on assets for the relief of depositors of suspended banks—

And so forth.

"Quicker" is a very understandable word. Quick, I find, means "fast in action" or "fast in performance." This word only appealed to the chairman of our committee when, upon the introduction of H.R. 7370, he was quick in writing the provision that went into the R.F.C. law and which, though it killed H.R. 7370, nevertheless has proven inadequate

to meet the needs of failed banks up to this present moment and through all the long months that the Congress was in session, from January to June 1932, so far as adequate relief to depositors in failed banks was concerned, this word "quick" did not appeal to any Democrat in authority. But as soon as the Congress adjourned and the Democratic Convention met, it was thought necessary to pledge the Democratic Party to quicker methods of realizing on assets for the relief of depositors in failed banks.

Before we go any further, let me tell you they knew what they were doing when they wrote that plank. It was a serious matter with the Democratic leaders, because they took the precaution to write a further plank in their platform in which they said:

We believe that a party platform is a covenant with the people to be faithfully kept by the party when intrusted with power.

So, believing in this quick relief, a Democratic Congress convenes and by June of the summer of 1933 they make a left-handed grant of power to the Federal Deposit Insurance Corporation.

I want to read you the provision giving this power to the Federal Deposit Insurance Corporation. I do not intend to be bitter about this. Please do not misunderstand the spirit in which I make this presentation. If I could not have kept my sense of humor I could never have lived through the 5 years of this depression. About all there is left us of the minority these days is the opportunity to chide the majority for its acts of omission or commission.

Listen to the phrasing of this grant of power for the relief of closed banks. Following certain other grants of power, the Banking Act of 1933 reads as follows:

Nothing herein contained shall be construed to prevent the Corporation from making loans to national banks closed by action of the Comptroller of the Currency.

Let me repeat it. "Nothing in this act shall be construed to prevent" the Corporation from making loans to closed banks. The point is that this was not the usual phraseology of a clean grant of power.

Then the next section in that act goes on to say, "Receivers or liquidators of member banks"—only member banks were dealt with in the act of 1933. And bear in mind that there had been in force ever since the early summer of the prior year affording relief to all closed banks the Reconstruction Finance Corporation, but they felt it necessary to write the following provision into the Banking Act of 1933:

Receivers or liquidators of member banks which are now or may hereafter become insolvent or suspended shall be entitled to offer the assets of such banks for sale to the Corporation—

Namely, the Federal Deposit Insurance Corporation. Here we find no provision that the Corporation can buy the offered assets. The power to buy must be implied. I call this a left-handed grant, and the F.D.I.C. must have considered the provision a mere gesture, because no attempt was made to exercise it.

Both the power granted to the R.F.C. and the F.D.I.C. has been of no avail and the responsibility rests with the present administration which believed in quick relief to depositors in failed banks, from the assembling of Congress in the last part of the year 1932 down to this 24th day of May 1934, when, under the lash of the signers of a petition to bring some kind of legislation to this floor for the relief to depositors in failed banks, and whipped somewhat by a conscience troubled by the failure to live up to the plank in the platform calling for quicker relief, they bring in the legislation now before the House.

Now, it is with parties as with individuals. When a man makes a mistake and starts traveling, not the straight and direct road, but one that diverges and crosses and recrosses and never arrives at any destination, it is strange how much trouble he gets into.

If I were a dramatist I should like to write a play showing how this Committee on Banking and Currency has been playing back and forth, how it has endeavored to get around the fulfillment of its obligations, long neglected.

I want to put in the Record what has happened before we could finally get the pending bill out of our committee.

Some Members on my side of the aisle evidently wanted to help the majority of the committee to fulfill their obligations to the people with respect to this legislation, and so they endeavored to vote out that McLeod bill which would defeat the discharge petition which aimed to bring legislation upon the floor of the House for the relief of depositors in failed banks.

On February 12, 1934, Congressman McLeod introduced the original "pay-off bill", H.R. 7908. Hearings on this bill before the subcommittee of the Banking and Currency Committee began on February 27. Subsequent to these hearings the revised McLeod bill, H.R. 8479, was introduced on March 5. Hearings before the Reconstruction Finance Corporation subcommittee of the Banking and Currency Committee concluded on March 27.

The first petition for bringing the McLeod bill up for consideration was introduced by Congressman CARL M. WEIDEMAN April 9, 1934. The petition was on H.R. 7908, the original bill, as the revised bill, H.R. 8479, had not been pending the number of legislative days required by the discharge rule.

On April 12, when the petition to discharge the committee from further consideration lacked only several names to complete the necessary 145 signatures which would have made possible a vote on this legislation April 23, the Banking and Currency Committee reported H.R. 8479.

Later the same day, upon discovering that the discharge petition dealt with H.R. 7908 and not with H.R. 8479, the committee met without permission while the House was in session and reported H.R. 7908, thereby proving that the sole purpose of the committee action was to block consideration of such legislation.

The first petition was completed on April 13. Representative McLEOD then introduced House Resolution 332, which was referred to the Rules Committee providing a special order of business to bring the bank depositors pay-off bill, H.R. 8479, before the House for consideration immediately upon the adoption of the resolution.

On April 20, in answer to a parliamentary inquiry made by Chairman STEAGALL of the Banking and Currency Committee, the Speaker stated that the action of the committee in reporting H.R. 7908 was void, as the committee had acted while the House was in session and without permission.

On April 20 the Banking and Currency Committee received permission to sit during the sessions of the House on April 20 and 21, and on April 21 the Banking and Currency Committee met and considered the bank depositors' payoff bill in executive session.

On April 23 the bank depositors' payoff bill, H.R. 7908, was due to be called up for consideration under the discharge rule. However, during the prayer the committee put another report into the receiving basket.

The Congressman from the First District of Maine thereupon introduced a resolution involving a matter of privilege of the House objecting to the reception of the report of the Banking and Currency Committee on the ground that the committee had failed to observe the rules of the House in amending and reporting the bill. On a motion by Mr. BYRNS to lay the resolution on the table, the yeas were 227 and nays 123, not voting 80. The Speaker refused to answer an inquiry by the Congressman from the First District of Maine as to the significance of the vote, and because of the general confusion on the floor the impression prevailed that the vote was on a motion to override the decision of the Speaker instead of on a motion to table the Beedy resolution. However, the Speaker sustained Representative BEEDY's parliamentary point of privilege and thus the record vote was a victory for friends of legislation for relief of depositors in failed banks.

On April 23 Representative WEIDEMAN introduced a second petition to force action on the McLeod bill by discharging the Rules Committee from further consideration of House Resolution 332.

On May 15, apparently for the purpose of shortening the time in which signatures could be obtained for the second petition, Congressman BYRNS obtained unanimous consent

for the House to adjourn from that date, Tuesday, to Thursday, May 17, and from Thursday to Monday, May 21. This made Thursday, May 17, the last day in which to complete the petition in time for bringing up the bill for a vote on May 28. In the night session of May 15 Congressman GERALD J. BOILEAU, of Wisconsin, made the parliamentary inquiry: "Is it now in order to move to reconsider the vote by which that unanimous-consent request was secured?" The Speaker held that such a move was not in order.

On May 17, Thursday, as signatures were being obtained rapidly on the petition, the House adjourned at 2:44 p.m., thus delaying possibility of securing action on bank depositors' pay-off legislation through the petition until June 11.

This thing went on. We could not get a record vote in the House until, you recollect, the Representative from the First District of Maine made a point of order, and we actually got a record vote to find out who in the House favored some legislation in behalf of depositors in failed banks. Nobody knew what he was voting for. The question was asked the Speaker as to what the vote was on. He replied, "everybody knows what it is for", and half the men voting thought they were voting to override the Speaker's decision rather than to table the Beedy resolution which was pending. The vote, therefore, did not correctly disclose who were and who were not friends of bank pay-off legislation.

In the meantime, frequent conferences were going on in the Banking and Currency Committee, small conferences, not always full committee conferences, and the days and weeks and months rolled by, but at last I say we have this pending bill before the House, for which I am thankful, and which I commend to this House as a constructive measure, one which may prove of great help to the country even in this late period of the depression. I repeat, however, that this legislation should have been passed early in the winter of 1932.

This bill provides exactly the same in substance as the Beedy bill (H.R. 7370) provided. It provides relief to all banks, whether members of the Federal Reserve System or not.

Mr. BLANTON. Mr. Chairman, would my distinguished friend from Maine yield?

Mr. BEEDY. Yes.

Mr. BLANTON. The gentleman approves of the bill?

Mr. BEEDY. I should say I do. I have been fighting for it for nearly 2 years.

Mr. BLANTON. And the gentleman is at least the straw-boss spokesman for his party on the other side of the aisle. Our administration leaders on this side approve of the bill. So it is approved on all sides of the aisle. Let us pass it. It is now 7 minutes of 5 o'clock. Let us pass it by 5 o'clock.

Mr. BEEDY. Mr. Chairman, the gentleman evidently believes in his platform. He is for quick relief for depositors of failed banks.

Mr. BLANTON. Yes.

Mr. BEEDY. And I say to the gentleman from Texas that in January 1932 I was for quick relief. I am for quick relief now and if this committee wants me to sit down, I will sit down, and we will pass it right now.

Mr. BLANTON. And do not let us talk it to death.

Mr. BEEDY. I am fond of the gentleman from Texas, he has been a good friend of mine, but let me tell him that he should be the last man in this House ever to stand up and say to any other Member that he ought not to talk anything to death. [Laughter.] I have been in this House for 13 years and I have taken comparatively little of the time of the House in making speeches while the gentleman from Texas has, often and profusely.

Mr. BLANTON. Oh, I have helped the gentleman talk bad measures to death here and stop the passage of bills that ought not to be passed. I have helped him to talk many bad bills to death.

Mr. BEEDY. I think the gentleman does most of that kind of work. I am going to accept the suggestion of the gentleman from Texas [Mr. BLANTON]. Here is a good bill. It was born in travail. No bill ever followed a more tortuous path. It has had a difficult time a-borning.

It is the result of the sweat and the prayers and the hopes and the hard work of a good many of us. It does not make any difference what party we are in. We should have seen the light sooner, but now that we have seen the light, let us pass the bill and give the banks that have failed and the poor men and women that have saved a few hundred dollars and put them in these banks for safekeeping real relief.

There is one thing to which I wish to call attention which this bill does that no other proposed piece of legislation does. The bill which died in 1932 did not propose it. That bill left the appraisers, namely, the representatives of the Federal Reserve banks and of the Comptroller's Department, and the receivers, to agree on the value of the assets of failed banks.

This bill goes further. Realizing that some injustice has been worked by a lack of power on the part of the R.F.C. to loan on higher appraised values, we wrote a very helpful clause into the pending bill. It is to be found on page 10 of the bill, beginning with line 15, and reads as follows:

In making any purchase of or loan on assets of any closed bank the Corporation shall appraise such assets in anticipation of an orderly liquidation over a period of years rather than on the basis of forced selling values in a period of business depression.

That is a very sensible provision. It is born of the evidence that this country is coming back. The inevitable trend must be upward. This Nation is too young and too virile to die now. We are coming out of this trouble. This provision gives the appraisers the power to anticipate future recovery.

Mr. GLOVER. Will the gentleman yield?

Mr. BEEDY. I yield.

Mr. GLOVER. On page 5 there is this language:

In the event any mutual savings bank shall be closed on account of inability to meet its deposit liabilities the corporation shall pay not more than \$2,500 on account of the net approved claim of any owner of deposits in such bank.

Does not the gentleman believe that that figure ought to be raised? If a man has \$10,000 in a bank, and another man has \$2,500, one man will receive his full \$2,500, and the man who has \$10,000 will only receive the same amount.

Mr. BEEDY. Now the gentleman is bringing up a point connected with the deposit-insurance section of this bill. The gentleman raises an issue which involves the question of whether the full provisions of the insurance law should have gone into effect this year.

If you want the whole insurance law to go into effect as originally written, yours is a good argument. But the experts from the Treasury Department, including the Comptroller of the Currency, said to our committee: "We are friends of this deposit-insurance feature. We want it to live. We do not want to go too fast with it. Give us another year with the temporary fund so that we may build our underpinning securely and feel our way with assurance, and later we will come back and extend these provisions and ask, perhaps, for the original insurance limits of the permanent fund."

Now, if the gentleman will read this bill fully, he will see we have increased the \$2,500 limit to \$5,000 in the present bill. There is an interesting thing in connection with that feature of the bill. You may have a deposit of \$5,000 in bank A on the north side of the street. Your wife may have \$5,000 in bank B on the other side of the street. If these banks should fail while members of the Federal Insurance Corporation, she will get her \$5,000 and you will get yours. If at the same time the husband and wife have a joint account of \$5,000 in one of these same banks, that sum would also be repaid by the Insurance Corporation. In that situation thrifty families of small means are protected by the present bill to the extent of \$15,000.

I now yield to the gentleman from Massachusetts, and then I must conclude.

Mr. LUCE. May I add to the gentleman's answer to the inquiry that in general, mutual savings banks have a limit on the size of permissible deposits. In my State it is \$4,000, as I recollect it, to which accretions of interest may be added.

That restriction in the bill is made in view of the limits customarily made on deposits in mutual savings banks.

Mr. SABATH. And the \$2,500 applies only to mutual savings banks?

Mr. LUCE. Yes.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. BEEDY. I yield.

Mr. HANCOCK of North Carolina. Will the gentleman state the total amount that would have been available to pay depositors in closed banks under the bill which the gentleman introduced in 1932?

Mr. BEEDY. I have already stated that.

Mr. HANCOCK of North Carolina. What was the total amount?

Mr. BEEDY. We asked for a capital of \$150,000,000.

Mr. HANCOCK of North Carolina. To be multiplied four times?

Mr. BEEDY. To be multiplied four times. That was only a feeler. We should have increased it as occasion demanded.

Mr. HANCOCK of North Carolina. Then, at the same time a measure proposed and written by the Chairman of the Committee on Banking and Currency has resulted in furnishing more than \$800,000,000?

Mr. BEEDY. Oh, that is the result of subsequent limitation. His original provision authorized loaning only \$200,000,000.

Mr. HANCOCK of North Carolina. But is not that true?

Mr. BEEDY. Now, let us get this straight.

Mr. HANCOCK of North Carolina. The gentleman has the heart of a Democrat and the mouth of a Republican. [Laughter and applause.]

Mr. BEEDY. If we could put together the hearts of the Democrats and the hearts of the Republicans and the mouths of both parties today and work out these problems, forgetting our political differences, the country would be better off; and if we could have done just that in 1932 the country would have been much better off then. [Applause.]

Mr. SABATH. Will the gentleman yield?

Mr. BEEDY. Not at this time.

Under the original provision in the Reconstruction Finance Corporation Act, as I have said, only \$200,000,000 could be loaned to failed banks. Our original bill, H.R. 7370, to which I have referred, authorized loaning \$600,000,000 to failed banks.

Mr. HANCOCK of North Carolina. And then we took the lid off.

Mr. BEEDY. Just a moment. I want to answer the gentleman. When it was found that \$200,000,000 were not adequate to meet existing needs we provided further loaning power for the R.F.C., just exactly as we would have asked for further lending power for the Corporation's funds under the provisions of H.R. 7370. We did not dare to ask for more than \$600,000,000 for failed banks in January 1932. You were accusing us of following the short-sighted policy of favoring the rich bankers.

But can you imagine what would have happened if we had come to Congress and asked for \$6,000,000,000 for failed banks? You would have told us we were going mad. Now, in the light of what has been done with hit-and-miss expenditures approximating twelve or thirteen billion, can we not see what wonderful results might have followed from the disbursement of \$6,000,000,000 to the failed banks of the country 2 years ago?

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield further?

Mr. BEEDY. I will.

Mr. HANCOCK of North Carolina. Will the gentleman say to the House of his own knowledge whether the then Secretary of the Treasury and the then Chairman of the Board of the Federal Reserve Bank favored the gentleman's bill?

Mr. BEEDY. My distinct recollection is—and I think I can be very accurate about this—that the bill did have the approval of the Secretary of the Treasury; and whom else?

Mr. HANCOCK of North Carolina. Governor Meyer of the Federal Reserve Board.

Mr. BEEDY. Governor Meyer was consulted, and Governor Meyer himself delegated the drafting of this bill to one of his right-hand men. I can assure the House that the bill H.R. 7370 as introduced in January 1932 had the approval of the Secretary of the Treasury and the Governor of the Federal Reserve Board.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BEEDY. I yield.

Mr. SNELL. I am absolutely sure the gentleman's statement is correct, because I was the one who handed the bill to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Yes. That is correct.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield further?

Mr. BEEDY. Certainly.

Mr. HANCOCK of North Carolina. Has the gentleman noticed that Governor Meyer's paper, the Washington Post, this morning condemns this very legislation.

Mr. BEEDY. What very legislation? Does the gentleman mean the pending bill as reported by this committee?

Mr. HANCOCK of North Carolina. The pending bill, which the gentleman has said was such a fine bill, such a constructive measure, drawn along the same lines as the bill the gentleman advocated in 1932.

Mr. BEEDY. I think Eugene Meyer today feels exactly as I know the gentleman from North Carolina feels and as I feel, that inasmuch as original power was given to the R.F.C. to make these loans, and since further, the R.F.C. started to do effective work, we should now continue this lending power in the R.F.C., broaden its powers, and enable that Corporation to go on with the work it began. I have no doubt of Mr. Meyer's disgust that this bill should be brought into the House at this late day as an appendage to the extension of the temporary insurance fund provisions.

Mr. HANCOCK of North Carolina. Will the gentleman from Maine read this editorial?

Mr. BEEDY. I shall be glad to read it, but not in the time of others who wish to speak on the pending bill.

Mr. HANCOCK of North Carolina. Will the gentleman insert it in his remarks?

Mr. BEEDY. I must reserve judgment on that.

Mr. Chairman, let me thank the Committee for its close attention and let me apologize for having taken so much time. [Applause.]

Mr. LUCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I rise merely to give credit, as far as I am able, where credit is due. That part of the bill now before the Committee, to help depositors in banks that failed, is the result of the courageous effort, the untiring effort, and the perseverance of the gentleman from Michigan [Mr. McLeod]. His was a lone voice crying in the wilderness; and he alone built up an enormous support from every section of the country—North and South, East and West—for this particular bill upon which we are debating.

About a month ago I spoke to some 900 Republican women at a luncheon in Detroit. I was asked what was going to be done with the McLeod bill. I replied that I was a member of the Committee on Banking and Currency and had not signed the petition for the McLeod bill. I predicted that the McLeod bill would not pass in its original form, which was to pay off the entire loss of the depositors. I stated that I believed it would be amended, that there would be a compromise, and the compromise would come in under the name, of course, of some Democrat. It might be to pay the depositors up to the amount of \$2,500, or it might be a compromise to have the Government take over the assets of the banks and pay off the depositors on a fair basis and not on a forced or liquidated sale of the assets during the depression.

That is about what this bill does. I told them then, and I believe it now, that no matter what compromise measure goes through this Congress the credit belongs to CLARENCE

McLeod, of Detroit, and nobody can take it away from him even though the measure comes here bearing the name of a Democrat. I think you are good enough sportsmen to realize that he forced your hands and to admit that he actually is responsible for this legislation. No matter whether President Hoover endorsed the principle 4 years ago, and no matter whether someone else advocated it 4 years ago, this particular bill comes here because of the courage and perseverance of one Member of the House—the gentleman from Michigan [Mr. McLeod]. It was a well-deserved and well-merited victory. In the words of the poets, it was a grand and glorious victory.

In the few minutes remaining of my time, I wish to pay my respects to a very distinguished member of the administration, Assistant Secretary of Agriculture Rexford Guy Tugwell [laughter], who, recently talking in Kansas City, said that labor in America is oppressed and that business is controlled by just a few. He might as well have added that labor is brutalized, because those are the very words of all the Socialists and Communists in America: That everything is wrong, rotten, and corrupt in America, and particularly that labor is oppressed.

Every thinking man knows that compared to the countries of the Old World labor in America is freer and far better off. Labor in America is freer and has higher standards of wages and living than in any other country in the world. For the last 60 years American labor has been the best paid, the best housed, the best fed, the best clothed, and the most contented in the world.

When they tell you that American labor is oppressed, it is an indictment not alone of the Republican Party but of the Democratic Party under Woodrow Wilson as well; and everyone of you know that labor has had more economic and political rights and more freedom in America than in any other country in the world.

There have been abuses and evils in our economic system. Everybody knows that during the last 50 years the Congress of the United States and the legislatures of the various States, at the request of labor and of the American people, have been remedying these abuses and evils. It is common knowledge that 50 years ago labor worked 12, 14, and 15 hours a day with a pitiful standard of living and a pitiful standard of wages. Step by step through the assistance of Congress and the State legislatures we have brought about shorter hours and better working conditions in the factory, protection in the factory, compensation laws, child-labor laws, old-age pensions, until today labor is better off and freer in America than anywhere else in the world.

Mr. Tugwell and other socialistic members of the "brain trust" represent a certain type of visionaries without experience in either business or government, visionaries who want to throw overboard everything that has built up this country, that has built up labor, that has made this the richest, the greatest, and the freest Nation in the world. They now propose to socialize industry and labor, giving in return for the constitutional liberty, freedom, and the rights of labor and capital under the Constitution, some form of socialization of industry, or Government ownership. All that these Socialists and visionaries offer in return for our constitutional liberties is compulsion, coercion, and force. That is all they offer to labor in return for the freedom it now enjoys in America.

Abraham Lincoln once said that labor is prior to capital, and that human rights are superior to property rights. That has been the American point of view of all liberal-minded Americans, both Democrats and Republicans, for the past 75 years. It is sheer folly to try to incite and inflame labor in these days of depression by appeals to class hatred, and depicting labor as oppressed and discriminated against. It is well to remember that there are hundreds of thousands of small industries and millions of stockholders in larger industries in this country who believe in social and industrial justice, and a square deal for labor.

I am glad to support this particular bill today, because in its very essence it aims to protect the savings of labor, in

its very essence it seeks to uphold our own industrial system—call it capitalism or what you will—based upon private property and individual effort and enterprise.

It is under this system that labor has grown in America to be the richest and freest in the world. American wage earners today, or up until very recently, have been capitalists, and just as much capitalistic as the rich capitalists. They have owned their own houses and their own automobiles, and have had the comforts and luxuries of our civilization. There is very little revolutionary spirit among American wage earners, because they expect, judging from the past, that we will emerge to better and more prosperous times and back to those high standards of wages and living that American labor has been accustomed and is entitled to as part of its American heritage. In voting for this bill we uphold the capitalistic system, because the very essence of capitalism is private banking and money which belongs to the people. Lenin, the greatest foe of capitalism, often stated the way to ruin capitalism was to debase and destroy the value of money. We are in this bill safeguarding the money of all the people of America. [Applause.]

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HOLLISTER].

Mr. HOLLISTER. Mr. Chairman, I am compelled to make a few remarks following the gentleman from New York because of the references that were made to the McLeod bill. As one who is unalterably opposed to the principle of the McLeod bill or similar bills, I believe it proper to point out very distinctly to the Members of the House the fact that the provisions as contained in this bill differ very materially from the provisions of the McLeod bill.

In the McLeod bill and similar bills provision was inserted for pay-off to depositors in closed banks without any attention being paid to the value of the assets of the particular bank. A depositor in a bank which had been well administered but which had unfortunate consequences received no more than a depositor in a bank which had been looted or which had been improperly administered.

In this bill, which the committee has worked on very hard and in which the committee has attempted to include a fair provision so that we may unloose a great deal of the deposits in closed banks, the provision is that loans shall be made or assets shall be purchased on the basis of the value of those assets, and not without paying any consideration to the value of the distress of the different banks. Let me read the provision I refer to so that all may understand:

In making any purchase of or loan on assets of any closed bank, the Corporation shall appraise such assets in anticipation of an orderly liquidation over a period of years, rather than on the basis of forced selling values in a period of business depression. The Corporation is authorized and empowered to sell any assets acquired under this subsection and shall with respect to such selling and to the liquidation of assets of closed banks pursue and encourage a policy of extending the period of liquidation so as best to conserve the value of such assets and to prevent unreasonable sacrifice thereof.

Mr. Chairman, this is a provision by which we may give the greatest amount of help in the fairest way to depositors in closed banks and at the same time save as much as we can in the long run for the Government, which after all is putting this money into the fund for the backing of the closed banks.

All the members of the committee were anxious to do what they could for the depositors in closed banks, and at the same time be not in a position where it could be said that the Government was giving away money irrespective of the justice of the situation. I think it is only fair to point out that the committee considered carefully the difference in principle between these two theories and adopted the principle of dealing fairly with the depositors on the basis of the value of the assets in the respective banks.

Mr. Chairman, I yield back the balance of my time.

Mr. LUCE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. McLEOD].

Mr. McLEOD. Mr. Chairman, the action of the House today will be well received by millions throughout the country. While in my opinion the so-called "Steagall bill"

does not go far enough, I fully and sincerely believe that it goes a long way toward the goal which we seek. Therefore, in my opinion, it should receive the support of every Member who is interested in pay-off legislation being enacted at this session of the Congress. At the same time I do not feel that we should relax in any way our fight to insist on the 100-percent pay-off bill which I have sponsored, due to the fact that this bill, if passed today, has a long and rocky road before it takes the status of law. The petition which is now on the Speaker's table gives us a certain assurance that in the event Congress is still in session on the 11th of June we may have the opportunity to insist on our measure, which is not only relief, but is also primarily in the interest of recovery. We know that a measure which results in recovery certainly also provides relief.

There is one particular point I wish to make to the Committee. As the chairman pointed out a few minutes ago, this bill provides sufficient money to take care of the depositors in distress. If this is a fact, and I am merely trying to lay the foundation for an amendment which I intend to offer, could there be any objection to changing the permissive word in the purchasing or loaning of assets to directing the purchasing or loaning on assets? There is no excuse for the use of discretion in this instance. The Congress is too familiar with what occurred recently in connection with legislation which was passed during the last session which did not direct the administrative officials to do such things; it merely permitted, and therefore little was accomplished. There is no harm, as I see it, in changing the four words in that one paragraph to "direct" if we are sincere, and I take it for granted this House is sincere at this time.

Mr. PATMAN. Will the gentleman indicate where the amendment is?

Mr. McLEOD. Page 9, line 23.

Mr. MARTIN of Colorado. One word would be enough.

Mr. McLEOD. It appears in four different places.

Mr. Chairman, I had intended to offer the McLeod bill as an amendment to the section where the relief for bank depositors appears in this bill, but I agreed not to do that for the reason that I am assured the conferees of the House will insist, when this bill passes today—and I assume it will pass today—that the bank depositors' relief remain in this bill when it comes back from conference with the Senate.

I have had this assurance today from the chairman of the Banking Committee, and I am sure he will bear me out in this statement.

Mr. GOSS. Will the gentleman yield there?

Mr. McLEOD. I yield.

Mr. GOSS. I understand the gentleman proposes to offer his first amendment in line 23, page 9, so that the bill would read—

authorized and directed to loan upon or purchase assets of any bank.

Mr. McLEOD. That is right.

Mr. GOSS. If this amendment is agreed to, I want to point out that this does not mean they would have to purchase all the assets but they would have to purchase at least some of them, and in this way we would be sure of getting at least some results.

Mr. McLEOD. There is no difference in the intent of the bill with the amendment I suggest relative to the relief proposal.

This section of the bill states—

The insurance corporation is authorized and empowered to loan or purchase.

This is to be done after the liberal appraisal referred to. This liberal appraisal may be \$500 on a certain asset, and then we say by this amendment that if the appraisal is \$500 on this asset, then the corporation is directed to make the purchase or loan.

If time permit, I should like to point out to the committee the definite obligation there is on the part of the Federal Government to do something for these depositors. Much has been said about it here. I have contended from the

beginning that there is a definite obligation on the part of the Government.

During the Senate hearings, letters dated January 3, October 6, December 18, 1931, and July 1, 1932, were submitted to the Senate committee by the Comptroller's office. These were letters of instruction to the bank examiners that they must be lenient, and I quote from the first one of them, the letter of January 3, 1931:

It is the desire of the Comptroller in this period of serious and unusual depression to be as lenient in this matter as the circumstances in each individual case will permit. While it is necessary for your examiners to exercise their judgment in each case, consideration should be given to the present and what is believed to be a temporary condition of the bond market.

Some of the bank examiners did not follow this, so on October 6, 1931, they wrote a second letter:

Please instruct all examiners to exercise extraordinary discretion in their work and use every effort to encourage and sustain the morale in banks examined. Leniency consistent with proper regard for public interest should be extended. Present conditions demand sympathetic treatment on the part of this office and examiners and can in an important measure tend to the alleviation of the difficult problems with which we are temporarily faced.

Then, on December 18, 1931:

In the emergency that results examiners are instructed until further notice to disregard market depreciation upon bonds not in default. Bonds should be rated and appraised as heretofore, but no part of the depreciation, except that upon defaulted issues, should be shown on page 11 of the report.

July 1, 1932:

Reports of examination received by this office recently clearly indicate that some examiners have not fully grasped the meaning of previous instructions issued by this office during the past year with respect to examinations, more particularly instructions issued under date of October 6, 1931, and it would also seem that some of the examiners may not fully appreciate the extremely abnormal business conditions and the weakened condition of the securities market at this time.

In conclusion, I urge that this bill receive the support of the membership of the House. It will give renewed hope to millions of our citizens. [Applause.]

Mr. LUCE. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Chairman, I ask unanimous consent to extend my remarks, including therein certain correspondence with the Chairman of the Committee on Agriculture.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. LEMKE. Mr. Chairman, I have listened to the arguments on this bill, which I consider largely shadow-boxing. Nevertheless, I am for this bill. I am for it not because it gives any fundamental relief to the crying needs of the country but because it will give some temporary relief. It will help a little. It may keep the ship of state sailing until we get back here and do something more fundamental.

It has been stated here from the floor that the people were praying and crying that this Congress adjourn. I am sorry that I cannot agree with that statement, because I know that the farmers are praying and crying that Congress remain in session until it has passed the Frazier-Lemke bill. I know and you know that the veterans of the World War are begging and praying that we stay here until the soldiers are paid in cash. I know and you know that the laboring people are praying and begging that we remain in session until the 30-hour week bill is passed. I know and you know that the unemployed and those on a disguised dole system are begging and praying that we remain in session until something fundamental is done to meet the deplorable conditions that still exist. Consequently, I am forced to believe that the crying for adjournment comes rather from the international bankers and politicians and not from the people.

It has been said that those in power never learn anything from the fate of their predecessors. Those in charge of the legislation in the special session and in charge of the legislation during this session, certainly have not learned anything from the fate of the preceding administration. Not only are they as indifferent about the Frazier-Lemke

bill as the previous administration, but they are equally indifferent on the cost of production for that part of the farm products consumed within the United States. Surely no honest or intelligent person wants to continue to consume the farmers' products below the cost of production.

We have here at the Speaker's desk a petition discharging the Committee on Agriculture and bringing the Frazier-Lemke bill out on the floor for discussion and passage. Yet, every time that we come within striking distance, some invisible force, working through subterranean channels, seems to be able to get some Members to withdraw their names from that petition. I am not entirely unfamiliar with that invisible subterranean force. I know something about the threat of loss of patronage, but I can assure the Members of this House that the people of this Nation are no longer seriously concerned as to who is appointed their postmasters. They demand something more fundamental. They demand the Frazier-Lemke bill.

I have taken occasion before to correct erroneous statements made by Members of this body concerning the Frazier-Lemke bill. Yet, in spite of this fact, these erroneous and incorrect statements persist. Needless to say, these statements are based upon misinformation by Members who talk too readily on subjects on which they are not informed, and who accept rumors as facts when the facts could have been readily and easily ascertained. These statements concern the discharge rule and the consideration, or lack of consideration, that the Frazier-Lemke bill has received in the hands of the committees in whose possession it has been since February 2, 1931.

It has been stated by Members who withdrew their names from the petition that they did so because when they signed they believed that the committee had refused to grant a hearing, but that by some grapevine route they had been informed that the committee had not refused and that upon this information they withdrew their names. The cold and indisputable fact remains that they withdrew their names when we were within a few signatures of going over the top; that they withdrew their names when those who oppose this bill made their drive to get names removed. I am compelled to conclude that this was the cause of the withdrawal of the names rather than the erroneous assumption of facts which do not exist, except in the minds of those who withdrew their names and who have not reinstated them.

Let us now briefly review the history of this bill. It was first introduced in the Senate by Senator FRAZIER in the Seventy-first Congress, third session, December 8, 1930, and referred to the Committee on Agriculture and Forestry, S. 5109. It was reintroduced in the Seventy-second Congress, first session, by Senator FRAZIER on December 9, 1931, and referred to the Committee on Agriculture and Forestry, S. 1197. A subcommittee of the Senate Committee on Agriculture and Forestry held extensive hearings on this bill on February 2, 3, and 5, 1932. These hearings were printed, and consist of 128 pages devoted exclusively to this bill. The full Committee on Agriculture and Forestry held hearings on this and other agricultural bills on April 26, 27, 28, and 29, 1932. These hearings were also printed, and consist of 219 pages. On May 14, 1932, it was reported with amendments by the full committee, Senate Report 692. It was brought up on the floor of the Senate, debated, and referred to the Senate Committee on Banking and Currency on July 11, 1932. During the second session of the Seventy-second Congress hearings were held before the full Committee on Banking and Currency on this bill on December 22, 1932, and on January 7, 9, and 30, 1933. These hearings were also printed, and consist of 90 pages. The bill was reintroduced in the first session of the Seventy-third Congress by Senator FRAZIER on March 13, 1933, and referred to the Committee on Agriculture and Forestry, S. 457. It was offered as an amendment to the Wagner Agricultural Credit Act on April 22, 1933. On that amendment the yeas were 25 and the nays were 44. A number of Senators who were favorable to the amendment were necessarily absent.

This, in brief, is the history of the Frazier-Lemke bill in the Senate. It has been before that body for practically

3½ years. It has had Nation-wide support and publicity. There is hardly a man or a woman, with ordinary intelligence, in this Nation that has not heard of the Frazier-Lemke bill, and the majority of them know what the bill is.

Let us now take up the history of this bill in the House. It was first introduced by the gentleman from North Dakota [Mr. SINCLAIR] on February 2, 1931, Seventy-first Congress, third session, and referred to the Committee on Banking and Currency, H.R. 16800. It was again introduced by the gentleman from North Dakota on December 8, 1931, H.R. 476, and reintroduced by him on January 12, 1932, Seventy-second Congress, first session, and again referred to the Committee on Banking and Currency, H.R. 7524. The gentleman from North Dakota [Mr. SINCLAIR] informs me that he made numerous requests, oral and written, for hearings on this bill before the Banking and Currency Committee, but that the chairman [Mr. STEAGALL] always informed him that the committee was busy with other bills and could not give a hearing at that time. Finally, the Chairman of the Banking and Currency Committee, in reply to a letter from the gentlemen from North Dakota requesting a hearing, replied as follows:

I regret that I am unable to say at this time when this bill will be taken up by the committee for consideration.

H. B. STEAGALL,
Chairman Banking and Currency Committee.

I was here in Washington at the time that the hearings were being held in the Senate and at the time that this bill was pending in the House before the Committee on Banking and Currency, and was informed by the late John A. Simpson, national president of the Farmers' Union, and other farm leaders, that they had attempted in vain to get a hearing before the Committee on Banking and Currency of the House. This bill remained in that committee until the close of the Seventy-second Congress without a hearing or offer of a hearing, notwithstanding the requests made by the gentleman from North Dakota and the requests made by farm leaders.

On the second day of the special session, March 10, 1933, I introduced the Frazier-Lemke bill, and it was referred to the Committee on Agriculture, H.R. 2855. I spoke to the chairman of that committee and was informed that the committee was busy with the administration's program. The committee was then holding hearings on the Myers bill—the present Farm Mortgage Refinancing Act. Sometime thereafter the late John A. Simpson came to my office and asked me to call the Chairman of the Committee on Agriculture and tell him that he and other farm leaders and myself desired to be heard on the Frazier-Lemke bill as a substitution for the Myers bill. I called the chairman by telephone, and he informed me that they were busy putting over the administration's program and that the meetings were executive and only members of the committees and those whom the committee called were permitted to appear and testify.

When the Myers bill came up on the floor of the House for passage, the gentleman from Wisconsin [Mr. BOILEAU] moved that the bill be recommitted to the Committee on Agriculture with instructions that the committee substitute the Frazier-Lemke bill. The Chairman of the Agricultural Committee raised a point of order against the substitution and was sustained by the Chair. I find no fault with the chairman of that committee. He was carrying out the administration's program, as he had a right to do, but I do wish to impress upon the Members that no opportunity for hearings on the Frazier-Lemke bill was given during the special session or during the two sessions of Congress prior thereto.

Coming now to the present session, I find that on January 30, 1934, I wrote the following letter to the Chairman of the Committee on Agriculture:

John A. Simpson, national president of the Farmers' Union; C. C. Talbott, president of the North Dakota Farmers' Union; Cal Ward, president of the Kansas Farmers' Union; and other farm leaders who are now in the city and who know that the provisions heretofore made to refinance farm mortgages and indebtedness are not sufficient, have suggested to me that I request your Committee

on Agriculture to take up for immediate consideration H.R. 2855, known as "the Frazier-Lemke bill."

May I therefore respectfully request your committee to hold hearings on this bill and to give us 2 days' notice before the hearings begin, so that we may present the facts as they are out in the country and as they are known to be by the men who are in touch with the actual situation? May I hear from you?

Very respectfully yours,

WILLIAM LEMKE.

On February 2 I received the following reply:

I am in receipt of your letter making a request for hearings on an additional farm mortgage bill.

As you know, the administration measure for this refinancing has been passed and approved and is now in operation. It is claimed that mortgages are being refinanced at a rate of between \$5,000,000 and \$6,000,000 per day, which is at the rate of more than \$1,000,000,000 per year. The program has just recently gotten well under way.

The administration is endeavoring to handle the financial program through other channels. I believe you will agree that it is apparently making some headway. Inasmuch as both these programs are in the process of being applied, I rather doubt the wisdom at this time of pressing for consideration of a measure that would undertake to apply different methods, regardless of the merit of the proposal.

I do not want, and I am sure you do not want, to complicate or make more difficult the handling of these matters by the President. If for any reason the programs being applied should not work out in a successful way, it seems to me it would then be a better time to give consideration to other methods.

Thanking you for your interest, I am,

With best wishes, cordially,

MARVIN JONES.

On February 12, 1934, I again wrote to the Chairman of the Agricultural Committee as follows:

My good friends, John A. Simpson, president of the National Farmers' Union, C. C. Talbott, president of the North Dakota Farmers' Union, and Cal Ward, president of the Kansas Farmers' Union, are in the office and they tell me that it will be the Frazier-Lemke bill eventually; why not now? They say the Frazier-Lemke bill is a cure; why continue to remain sick?

May we not have the hearings asked for?

Sincerely yours,

WILLIAM LEMKE.

To this last letter I received no reply, but I met the chairman and he gave the same reason, in substance, as given in reply to my letter of January 30.

As late as April 11, 1934, the chairman of that committee replied to an earnest request from an interested citizen with reference to the Frazier-Lemke bill, as follows:

We are in the middle of the President's refinancing program, and I do not wish to complicate that program until it shall have had a fair trial. If it should not prove satisfactory, then I think a plan should be developed which would be much more general and permanent, and therefore more effective, than the measure to which you refer.

A short time ago when we were within a few of sufficient signatures on the petition to discharge the committee, and just before the drive was made by those who were opposed to this bill to get the names taken off the petition, I was informed by the gentleman from Iowa [Mr. GILCHRIST] and the gentleman from Wisconsin [Mr. BOILEAU] that a suggestion had been made by the chairman that the Frazier-Lemke bill could be referred to a subcommittee. Both of these gentlemen, however, suggested to me that to refer the bill at that late date to a subcommittee would defeat the legislation for this session. Later I was informed by these gentlemen that the chairman made the above suggestion to the committee, but objection was made that to refer the bill to a subcommittee was equivalent to killing it for this session, whereupon the chairman, in fairness to the bill, dropped the subject.

I am informed that more recently the question was again brought up before the Committee on Agriculture, and it was again suggested that to report the bill out at this time would simply mean that it would go to the Rules Committee and that would end any hope for the bill in this session—that it would annul the 136 signatures which we had on the petition to discharge the committee at that time and would compel those in favor of the bill to start in anew discharging the Rules Committee. In fact, it was stated that to do this would be to betray this legislation with a kiss. It would have put us in the same position that the sponsors of the McLeod bill were placed in when the Committee on Banking

and Currency reported the bill out and they had to start their petition anew to discharge the Rules Committee.

I find no fault with the Chairman or with the Committee on Agriculture. I am proud of that committee because a majority, 7 Democrats and 6 Republicans—13 out of 25—on that committee signed the petition to discharge itself. I know of other members on that committee who are favorable to the bill and will vote for it if it comes up on the floor. The bill has not been—and I am confident will not be—betrayed by the Committee on Agriculture. The members of that committee know that to report it out now—even if favorably reported—could not possibly bring it up for a vote on the floor because in order to have any chance, it would have to go to the Rules Committee, and that committee would not grant a rule to bring it out.

Therefore, the Members who make the statement that this bill could have had hearings before the Committee on Agriculture before it was too late in the session, are grossly in error and are not justified in using that excuse for either withdrawing or withholding their signatures. These Members may have other good reasons for not signing the petition, but that excuse will not work—it has already been worn threadbare.

Some of those who have withdrawn their names—and others who withheld their names—from the petition to discharge the committee, use as an excuse that under the Frazier-Lemke bill loans can be made up to 100 percent of the value of the land and 50 percent of the insured permanent improvements as against 50 percent of the value of the land and 20 percent of the insured permanent improvements under the present mortgage refinancing law. These Members overlook the fact that under the Frazier-Lemke bill a farmer, as far as his ability to pay goes, can carry a mortgage of 100 percent of the value of the land plus 50 percent of the insured permanent improvements easier than he can, under the present law, carry a mortgage of 50 percent of the value of the land plus 20 percent of the insured permanent improvements.

Under the present farm-mortgage act the farmer is asked to pay 4½-percent interest if he lives in a Federal Farm Loan Association district and 5 percent if he does not, and, in addition, pay 1 percent for administration and buy stock in an amount equal to 5 percent of the loan, making 10½ or 11 percent for the first year and thereafter 4½- or 5-percent interest, together with 1 percent for amortization, making 5½ or 6 percent annually until paid. While under the Frazier-Lemke bill he will pay 1½-percent interest and 1½-percent principal, or \$30 for each thousand dollars borrowed for approximately 47 years. Under the Frazier-Lemke bill a farmer could carry a \$17,000 mortgage loan, as far as his ability to pay goes, as easily as a \$5,000 loan under the present law. The Frazier-Lemke bill takes into consideration the farmer's ability to pay.

Under the present law, if all the farm indebtedness were refinanced, the farmers of this Nation would pay \$12,492,500,000 in 39 years to the coupon clippers. Under the Frazier-Lemke bill the farmers would have to pay just \$6,149,500,000, less interest, in 47 years, and at the same time the Government would make a net profit of \$6,345,000,000, and to that extent lessen our Federal tax burden. Therefore this excuse is not a good one, and these Members must look further for an excuse for withdrawing their names or withholding their names from the petition.

Another erroneous statement that is made by those who apparently have not read the bill and know nothing of its contents, although it has been before this Congress for 3½ years and has been discussed throughout the Nation during all that time, is that farmers could sell their land to the Government. Section 3 of the bill reads in part:

To liquidate, refinance, and take up farm mortgages and other farm indebtedness existing at the date of the enactment of this act.

Surely under this act the farmers cannot get any money at all. He is simply refinanced, and if he has no indebtedness he cannot be refinanced. The act applies only to farmers that are indebted at the time that the act is passed,

and the amount of money is limited to the indebtedness, or, in case that is greater than the value of the farm, to the value of the farm plus 50 percent of the insured permanent improvements.

It is true that if the value of the land plus 50 percent of the insurable improvements thereon is insufficient to take care of the farmer's indebtedness, then he may borrow an additional sum secured by first mortgage on livestock used for breeding or agricultural purposes to an amount equal to 65 percent of the fair market value thereof. Such loans run for a period of 1 year, with right of renewal from year to year, with a limitation of 10 years, provided that any depreciation in the value of such livestock is replaced by additional livestock used for breeding or agricultural purposes, and the amount of the loan is reduced 10 percent each year. Surely that is better security than is now being put up for Federal Reserve notes by the Federal Reserve banks. All they put up is Government debts—a Government bond.

Another excuse is that the Frazier-Lemke bill is limited to \$3,000,000,000 of new Federal Reserve notes and therefore is not sufficient to take care of all the farm indebtedness. The truth is that this \$3,000,000,000 will become a revolving fund, will find its way back into the Federal Reserve Banking System, and under the provisions of the bill it is made the duty of the Federal Reserve banks to invest their available surplus and net profits, after the dividends are paid to their stockholders, in such farm-loan bonds, which profits include the franchise tax. It is equally clear that all the farm indebtedness cannot be refinanced at once. It will take at least 2 or 3 years in which to refinance all the farm indebtedness. Of course, it is equally clear that all the farm indebtedness will not be refinanced, because on the smaller farms the loans are small and are made at a reasonable rate of interest, and when there is enough money in circulation again the mortgagees will not crowd the mortgagors.

Anyway, this argument could be made with equal force against the present mortgage refinancing law that was passed during the special session and against the home owners' loan law. Why should these Members be so particular when they are asked to do something for the farmers and not for the coupon clippers? The present farm-mortgage refinancing act and the home owners' loan act permit the coupon clippers to clip their 4-percent interest. No objection was made that those provisions were not sufficient to take care of all the farm mortgages or of all the home mortgages at one time. In addition, these laws provide no new money, and therefore there is no revolving fund established with which to continue to make the loans.

The issues are fundamental. The international bankers and money changers stand on one side—the farmers and the common people stand on the other side. The conflict between the two cannot be reconciled. You are either with the money changers or with the people. Either the money changers will continue to sit in the temple and exact their pound of flesh or they will be driven from the temple with a cat-o'-nine-tails. The Frazier-Lemke bill is that cat-o'-nine-tails. These are the issues that are involved. The technical arguments advanced against this bill are smoke screens. The Members of Congress must choose between the people of their respective districts and the money changers. "Choose this day whom thou wilt serve." If you have the courage to choose to stand by the farmers—and their neighbors—by 130,000,000 men, women, and children, sign the petition to discharge the committee and bring the Frazier-Lemke bill out on the floor for fair consideration and a vote. If not, then do not sign, and in that case you will not be embarrassed by taking your name off.

In conclusion, permit me to suggest that this bill has had extensive hearings in the Senate, that hearings in the House were refused until it was too late to get it out with any show for a vote, that it has been before this Congress for 3½ years, that the entire Nation knows of the bill and its contents.

Last but not least, remember that this bill has the official endorsement of the National Farmers' Union; it has the

official endorsement of some State farm bureaus and other farm organizations, and of many farm bureau and grange locals throughout the Nation. It has the approval of 95 percent of the farmers of this Nation; it has the approval of every intelligent banker, business, and professional man and woman. Twenty-two State legislatures have asked Congress to pass this bill. They are: Arizona, California, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Montana, Nebraska, Nevada, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, and Wisconsin. It has the approval of the lower house of the State Legislature of New York, the President's own State, as well as that of Delaware. Surely no Member of Congress from these States is justified in ignoring this mandate from his State.

Mr. LUCE. Mr. Chairman, against the possible inference through my taking no part in the general debate, let me say that I approve this bill as a whole. There are one or two particulars where the conference committee may make changes that I should approve, but I think it ought to receive the unanimous support of the committee.

Gentlemen who are members of the Committee on Banking and Currency on the other side of the aisle would be precluded from taking part in the general debate if I consumed any time, and as a proof of good will and good faith toward my friends across the aisle, I yield the rest of my time to the chairman of the committee to dispose of as he chooses by yielding to other members of the committee.

Mr. STEAGALL. Mr. Chairman, I thank the gentleman from Massachusetts for his kindness and generosity, but in view of the lateness of the hour, we shall ask that the bill be read for amendment.

Mr. PATMAN. Mr. Chairman, a parliamentary inquiry. The CHAIRMAN. The gentleman will state it.

Mr. PATMAN. Mr. Chairman, may I inquire when we will reach the end of a paragraph or a section that will permit of the offering of an amendment.

The CHAIRMAN. The bill is being read by sections, and the first section ends with line 16, on page 8.

The Clerk read as follows:

That section 12B of the Federal Reserve Act is amended—

(1) by striking out "July 1, 1934" wherever it appears in subsections (e), (1), and (y), and inserting in lieu thereof "July 1, 1935";

(2) by striking out "June 15, 1934" where it appears in the last sentence of the third paragraph of subsection (y), and inserting in lieu thereof "October 1, 1934";

(3) by striking out "June 30, 1934" where it appears in the first sentence of the fifth paragraph of subsection (y), and inserting in lieu thereof "June 30, 1935";

(4) by adding after the first clause of the second sentence of the fifth paragraph of subsection (y) the following: "and the provisions of such subsection (1) relating to the appointment of the Corporation as receiver shall be applicable to the members of the temporary Federal deposit insurance fund."; and by striking out the initial words "and the" in the second clause of the second sentence of the fifth paragraph of subsection (y) and inserting in lieu thereof the word "The";

(5) by adding to the sixth paragraph of subsection (y) the following: "The Corporation shall prescribe by regulations the manner of exercise of the right of nonmember banks to withdraw from membership in the fund on July 1, 1934, except that no bank shall be permitted to withdraw unless 20 days prior thereto it has given written notice to each of its depositors and to the Corporation of its election so to do. Banks which withdraw from the fund on July 1, 1934, shall be entitled to a refund of their proportionate share of any estimated balance in the fund on the same basis as if the fund had terminated on July 1, 1934.";

(6) by adding to the end of the fourth paragraph of subsection (y) the following two additional paragraphs:

"On and after July 1, 1934, the amount eligible for insurance under this subsection for the purposes of the October 1, 1934, certified statement, any entrance assessment, and, if levied, the additional assessment shall be the amounts not in excess of \$5,000 of the deposits of each depositor.

"Each mutual savings bank, unless it becomes subject to the provisions of the preceding paragraph in the manner hereinafter provided, shall be excepted from the operation of the preceding paragraph and for each such bank which is so excepted the amount eligible for insurance under this subsection for the purposes of the October 1, 1934, certified statement, any entrance assessment, and, if levied, the additional assessment shall be the amounts not in excess of \$2,500 for the deposits of each depositor. In the event any mutual savings bank shall be closed on account of inability to meet its deposit liabilities the Corporation shall pay not more than \$2,500 on account of the net approved claim of

any owner of deposits in such bank: *Provided, however, That should any mutual savings bank make manifest to the Corporation its election to be subject to the provisions of the preceding paragraph the Corporation may, in the discretion of the board of directors, permit such bank to become so subject and the insurance of its deposits to continue on the same basis and to the same extent as that of fund members other than mutual savings banks";*

(7) by striking out the period at the end of the first sentence of the fifth paragraph of subsection (y) and inserting in lieu thereof a comma and the following: "if the member closed on or before June 30, 1934, and not more than \$5,000 if closed on or after July 1, 1934.";

(8) by (a) striking out "and until July 1, 1936," in the first sentence of subsection (1), (b) striking out the words "until July 1, 1936," in the seventh paragraph of subsection (y) and inserting in lieu thereof the following: "notwithstanding any provision of this section to the contrary," and (c) adding after the seventh paragraph of subsection (y) the following new paragraph:

"Any State bank may obtain the benefits of this section on and after the date the fund is terminated upon the conditions with regard to examination, certification, and approval governing the admission of State banks to the fund and upon purchasing such class A stock or making such a deposit as is prescribed in the preceding paragraph for former fund members."

(9) by (a) striking out the word "three" in subsection (o) and inserting in lieu thereof the word "five", and (b) by inserting the word "subscribed" before the word "capital" in said subsection.

(10) by adding at the end of subsection (o) the following new paragraph:

"Such of the obligations authorized to be issued under this subsection as the Corporation, with the approval of the Secretary of the Treasury, may determine, shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guaranty shall be expressed on the face thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the principal or of interest on notes, debentures, bonds, or other such obligations issued by it, and guaranteed by the United States under this paragraph, the Secretary of the Treasury shall pay the amount thereof, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amounts so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such notes, debentures, bonds, or other obligations. The Secretary of the Treasury, in his discretion, is authorized to purchase any obligations of the Corporation to be issued under this subsection which are guaranteed by the United States under this paragraph, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Loan Act, as amended, and the purposes for which securities may be issued under the Second Liberty Loan Act, as amended, are extended to include any purchases of the Corporation's obligations under this paragraph. The Secretary of the Treasury may at any time sell any of the obligations of the Corporation acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of the obligations of the Corporation shall be treated as public-debt transactions of the United States. The Secretary of the Treasury, at the request of the Federal Deposit Insurance Corporation, is authorized to market for the Corporation such of its notes, debentures, bonds, and other such obligations as are guaranteed by the United States under this paragraph, using therefor all the facilities of the Treasury Department now authorized by law for the marketing of obligations of the United States. The proceeds of the obligations of the Corporation so marketed shall be deposited in the same manner as proceeds derived from the sale of obligations of the United States, and the amount thereof shall be credited to the Corporation on the books of the Treasury."; and

(11) by inserting after the first sentence of subsection (p) the following new sentence: "Any such obligations which are guaranteed by the United States under the second paragraph of subsection (o) shall be exempt from all such taxation (except surtaxes, estate, inheritance, and gift taxes)."

Mr. PATMAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 3, line 14, after the figures "1935", insert a new paragraph by adding at the end of subsection (e) the following:

"(1½) No salary in excess of \$17,500 annually shall be paid to any person connected with any Federal Reserve bank."

Mr. LUCE. Mr. Chairman, I make the point of order that the amendment is not germane.

Mr. PATMAN. Mr. Chairman, I do not care to discuss the point of order because I want to be heard on the amendment. I think the amendment is germane because we are amending section (e) of the Federal Reserve Act, making several requirements of the banking institutions to become members of the Federal Deposit Corporation. Under existing law they

cannot become members after July 1, 1935, unless they are members of the Federal Reserve banks; and if they become members of the Federal Reserve banks they ought to have something to say about salaries paid officials of these institutions.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. LUCE. No.

The CHAIRMAN. The Chair thinks the amendment is germane. In this bill they are seeking to amend several parts of section 12 of the Federal Reserve Act, and this is one of the principles involved. The Chair overrules the point of order.

SALARIES OF FEDERAL RESERVE BANKS

Mr. PATMAN. Mr. Chairman, I hope the House will adopt this amendment; \$17,500 is sufficient salary for an official of the Federal Reserve bank. The insurance companies receive loans from the Reconstruction Finance Corporation and are restricted in their salaries to \$17,500. A Cabinet officer receives no more than \$17,500. Certainly, \$17,500 is sufficient salary for any official of a Federal Reserve bank. These institutions are operating on the credit of this Nation, and some of them are paying very high salaries. You do not know how much they pay, because they will not tell you, and you cannot find out. It will require a Congressional investigation to find out anything about the activities of the Federal Reserve banks, and when this investigation is made I predict that plenty shocking, astounding, and almost unbelievable information will be disclosed.

Mr. BLANTON. Will the gentleman yield?

Mr. PATMAN. Yes.

Mr. BLANTON. My colleague, of course, is not in favor of paying all officials \$17,500?

Mr. PATMAN. No.

Mr. BLANTON. Whenever you fix a maximum salary as high as \$17,500, that maximum is going to become the minimum. I am not in favor of paying any of them that amount. I think it is too high.

Mr. PATMAN. If the gentleman thinks there should be a limit, he should be in favor of \$17,500. The fact that they pay the Governor \$17,500 is no reason why they should bring the bookkeeper's salary up to \$17,500.

I realize the amendment is being offered under very unfavorable circumstances. Many members of the Committee on Banking and Currency would vote for it under ordinary circumstances, but I realize they are opposed to it being attached to this bill. If it is lost the fight will not be abandoned. I expect to continue to expose the use and abuse of the Government's credit by these banks, to contend that the Government should take them over immediately and operate them in the interest of all people, banks, industry, commerce, and agriculture. Until they are taken over by the Government, they should make full and complete reports to Congress and should not spend a dime that Congress does not authorize them to spend.

Under existing laws these banks get all the money they wanted printed for them at the Government's Bureau of Engraving and Printing for about 27 cents a thousand dollars' worth. They use the credit of the Nation free, pay no taxes except upon their real estate, keep all the profits they make, spend all the money they want to for salaries or other expenses, and make no reports to Congress. They are owned by private corporations. The Government does not, neither does a single individual, own one penny of stock in these institutions. They have had farmed out to them the great privilege of issuing money on the credit of the Nation. Every bill issued represents a mortgage on all the property and incomes of all the people.

Mr. BLANTON. I think \$10,000 ought to be the maximum amount. You can get a United States Senator for that. You can get the pick of the United States to serve in the United States Senate for \$10,000 a year, and you can get the pick of this Nation to serve in this House for \$10,000 a year, and sometimes they spend large amounts to get here. We must stop these unreasonably high salaries.

Mr. PATMAN. I agree with the gentleman, but I am making the amount liberal in order that the amendment might have a better chance of being adopted, since it is already handicapped. This will be a good start in the right direction, and it will not be long until we shall have an opportunity to do more.

BILL UNDER CONSIDERATION

In regard to this bill, just one moment. I am in favor of the bill. I think it is a good bill. It repeals the law requiring State banks to join the Federal Reserve System in order to get their deposits insured. It increases the insurance on deposits from \$2,500 to \$5,000 and provides for full insurance of all deposits in another year.

I have always been in favor of liberal appraisals of the assets of closed banks. April 20, 1934, I made the following statement here on the floor of the House in regard to appraisals when speaking against the McLeod bill:

Let the Government appraise the assets of every closed bank and be liberal and generous in the appraisals. Then let the Government take over those assets dollar for dollar and put up that money for preferred stock or new capital in order to reopen the banking institutions (CONGRESSIONAL RECORD, p. 7091).

There is nothing in this bill that is in any way like the McLeod bill. The McLeod bill, to my way of thinking, did not have a single good principle. I say this with all due respect to the able and sincere Members who are supporting it. I am quite sure they have not given it sufficient consideration.

This bill has many good principles. The McLeod bill made an unlimited appropriation to unknown persons for unknown reasons. We did not know what would be appropriated. This bill makes a definite appropriation for a definite purpose, upon adequate security. Under the McLeod bill the R.F.C. would have been required to purchase notes of bankrupts, people who have gone into bankruptcy. Under the McLeod bill the R.F.C. would have been required to purchase and pay 100 cents on the dollar for the face amount of the notes of bankrupts that were worthless.

Mr. McLEOD. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. No.

Mr. McLEOD. Is the gentleman as accurate in that statement as in saying the McLeod bill would cost \$200,000,000,000?

Mr. PATMAN. I never said that.

Mr. McLEOD. The gentleman should read the RECORD.

Mr. PATMAN. If the gentleman is no more accurate about his bill than he is about that, he is not very accurate. The gentleman has asked Congress to pass a bill paying all depositors of all closed banks 100 cents on the dollar of their deposits because Mr. Hoover and Mr. Mills made anti-hoarding speeches in February and March 1932. He wants them paid back to January 1, 1930, more than 2 years before the speeches were made, and, besides, the people did not put money in the banks after the speeches were made; they took money out of the banks, about \$4,000,000,000 in a short time, according to official records.

This provides that liquidation shall be continued. The sponsors of the McLeod bill ask that liquidation of closed banks should stop now to save expenses. This bill carries forward the policy of holding up liquidations in order that these assets of the banks may come back in value. It will probably be several years before we get back to 1929 values; the assets of closed banks, most of them, are based upon 1929 values. Practically every proposal in regard to a price level calls for a return of 1926 values, which will be considerably less than 1929 values.

SPONSORS OF McLEOD BILL KNOW THEY CANNOT WIN

The McLeod bill was in order as an amendment to this bill. It was not introduced. The reason is obvious—the sponsors knew that it would not have a chance, and many of them did not want to be placed in the attitude of asking for its passage. After all the clamor and propaganda that the bill was being smothered in the committee, that the House leadership was destroying representative government by refusing to permit the bill to be brought up for passage, the

sponsors had an opportunity of getting a direct vote on the measure, and they refused it—did not take advantage of it.

The gentleman from Michigan [Mr. McLeod] did offer an amendment which I am sure he considered a step in the direction of his proposal, but it only received about 60 votes. It was defeated by a big majority.

Anyone entertaining the opinion that the McLeod bill does contain a good principle that could even be used as a basis for legislation that could be justified, I hope you will read my discussions of the measure, which will be found in the daily CONGRESSIONAL RECORD, April 20, 1934, commencing at page 7090; April 26, 1934, commencing at page 7481; May 2, 1934, commencing at page 7963; and May 15, 1934, commencing at page 8887; also an address made by the Honorable J. F. T. O'Connor, Comptroller of the Currency, to the Oklahoma Bankers Association, which appears in the CONGRESSIONAL RECORD of May 15, 1934, page 8887.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. STEAGALL. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 52, noes 82.

So the amendment was rejected.

The Clerk read as follows:

Sec. 2. The first paragraph of section 9 of the Federal Reserve Act, as amended (U.S.C., title 12, sec. 321), is amended by adding after the second sentence thereof a new sentence to read as follows: "For the purposes of membership of any such bank the terms 'capital' and 'capital stock' shall include the amount of outstanding capital notes and debentures legally issued by the applying bank and purchased by the Reconstruction Finance Corporation."

Mr. TRUAX. Mr. Chairman, I move to strike out the last word. I rise to refute the statement of the gentleman from Texas [Mr. PATMAN] that there was not a single sound principle in the McLeod bill. I think that every Member here, except perhaps the gentleman from Texas [Mr. PATMAN], is aware of the fact that if the McLeod bill had been brought out for consideration by a discharge of the committee rule, it would have been amended to provide for a maximum pay-off of \$2,500, that it would have included all closed banking and financial institutions, and that that would mean a full pay-off for 93 percent of the depositors in closed banks of this country. If the gentleman from Texas calls that unsound legislation, then I question the ability of the gentleman to qualify as an expert on banking and monetary legislation.

I expect to support this bill, as the rest of you do, but I do not propose at this moment when we are about to enact such a measure into law, that a similar measure for which not only the gentleman from Michigan [Mr. McLeod] stood, but for which several gentlemen on the Democratic side of the House have been laboring unceasingly, shall be branded as unsound all the way through by any Member of this House, without challenging the statement. If the remarks of the gentleman from Texas on the Frazier bill, as printed in the CONGRESSIONAL RECORD, are an indication of his qualifications and authority on that subject, then I also challenge those statements.

Mr. McLEOD. Mr. Chairman, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. McLEOD. How would the gentleman interpret the statement of the gentleman from Texas [Mr. PATMAN] on May 15, found on page 9091 of the RECORD:

Cost of the McLeod bill: Insurance claims. Will take \$200,000,000,000 to pay all its losses.

Mr. TRUAX. I would not undertake to interpret that.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. TRUAX. Yes.

Mr. PATMAN. The gentleman is misleading. If he will notice the reference on page 9091 he will see that I refer to a speech that was made by me on April 20, 1934, in which I stated, in answer to a question propounded by the gentleman

from Illinois [Mr. ARNOLD], that all the people for all causes growing out of the depression lost approximately \$200,000,000,000. I used this language, which appears on page 7092 of the CONGRESSIONAL RECORD of April 20, 1934:

That includes all the farmers' losses, the losses on the stock exchange, and the national banks, State banks, private banks, building-and-loan companies, Federal land banks, joint-stock land banks, and all other losses of the people.

I did not say the McLeod bill would cost \$200,000,000,000, but did say what the RECORD quotes me as saying. I said further that the McLeod bill authorized an unlimited appropriation for unknown reasons to unknown persons, except we did know that one person would get \$32,000,000 if the original bill became law, and that the taxpayers would have to pay the bill; that it would require the Government to pay depositors who had their money stolen by bank officials, and for which the Government was not even remotely responsible in any way.

Mr. TRUAX. Mr. Chairman, I refuse to yield further. I deny that any of the things mentioned by the gentleman from Texas would have happened if the McLeod bill passed as we propose to amend it, namely, to include all closed banks in the plan, and to limit full pay-offs to \$2,500. Any pay-off bill will necessarily have to include some deposits which were stolen by crooked bank officials as is stated by the gentleman from Texas.

I call attention at this time to a resolution that I have introduced today—and my statement now is out of order, but I know you will bear with me for only 30 seconds—to investigate the Darrow Board that is investigating the N.R.A. I say to my friends on the Democratic side that the N.R.A. is our baby, and we have to protect it and nurture it, and carry it on until maturity. It has been the most successful recovery act for industry, in my judgment, of all of the measures that have passed here.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD and to include this resolution.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TRUAX. The resolution I referred to appears herewith:

Resolution by Mr. TRUAX introduced in the House of Representatives May 24

Resolved, Whereas the National Recovery Review Board, created by the President under Executive Order No. 6632, dated March 7, 1934, was formed to conduct an impartial survey as set forth in said Executive order; and

Whereas said Board has made a report clearly disclosing the intent of the chairman and the dominating member of the Board to work a change in our form of government and the adoption of communism or state socialism, thereby abandoning any pretense of impartiality or any other purpose except one of soviet propaganda; and

Whereas members of said Board on assuming their duties under said Executive order took an oath to defend and uphold the Constitution of the United States; and

Whereas according to the record of proceedings of said Board it undertook only the gathering of material tending to discredit the United States Government and the operation and results of the National Recovery Administration and codes of fair competition approved and administered thereunder; and

Whereas members of the Review Board advocating communistic doctrines are reported in the public press to have been suggested by certain Members of the Congress, and upon the publication of said report, there was an immediate move on the floor of both the Senate and House of Representatives of the United States to justify and uphold it; and

Whereas in view of the unrest and soviet and communistic propaganda in many parts of the world, it is of the utmost importance to determine how far this menacing doctrine has succeeded in penetrating into the executive and legislative departments of the United States Government: Now, therefore, be it

Resolved—

SECTION 1. That there is hereby created a select committee to be composed of five Members of the House, to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the manner in which the original appointment is made.

SEC. 2. The committee is authorized and directed to investigate the personnel, conduct, and activities of said National Recovery Review Board and the relationship between such board and certain Members of the Congress of the United States with a view to ascertaining whether said board has in good faith carried out the duties and functions imposed upon it by said Executive order, whether said board has violated the trust reposed in it by using its offices as a means of propagating political theories contrary to

the Constitution of the United States, whether such board is attempting to corrupt any Members of the Congress with soviet and communistic doctrines, and whether facts exist tending to show bias, prejudice, or unfairness and conspiracy against the Constitution, laws, and public institutions of the United States on the part of said board in its activities and in reaching its determinations. The committee shall report to the House as soon as practicable the results of its investigation, together with its recommendations.

SEC. 3. For the purposes of this resolution the committee is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the House in the Seventy-third Congress, to employ such clerical and other assistance, to require, by subpoena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable. The committee is hereby authorized to call upon all Government agencies for such assistance as it may deem necessary to the proper discharge of its duties. The expenses of the committee, which shall not exceed \$20,000, shall be paid from the contingent funds of the House upon vouchers approved by the chairman.

It is unfortunate that Mr. Clarence Darrow, one of America's foremost citizens and widely known as a criminal lawyer, should have been made the dupe and victim of individuals on the committee and otherwise of pronounced socialistic and communistic tendencies.

In support of this resolution your attention is called to the following statement contained in the special and supplemental report to the President by Mr. Darrow, Chairman of the National Recovery Review Board, quoted from page 4 of the report:

To go back to unregulated competition in which the small man can gain his share of the market by some special advantage of skill or other factor, is not possible in a situation where technological advance has produced a surplus so that unregulated competition demoralizes both wages and prices and brings on recurrent and increasingly severe industrial depression. Only by the fullest use of productive capacity for the raising of standards of living of individuals and the community can a steady balance be achieved in an age of abundance. This, however, is possible only when industry produces for use and not for profit, since it is essential that enough wealth should be distributed through the return to the workers to set them as consumers free to use industry's plentiful output.

The choice is between monopoly sustained by government, which is clearly the trend in the National Recovery Administration, and a planned economy, which demands socialized ownership and control, since only by collective ownership can the inevitable conflict of separately owned units for the market be eliminated in favor of planned production. There is no hope for the small business man or for complete recovery in America in enforced restriction upon production for the purpose of maintaining higher prices. The hope for the American people, including the small business man, not to be overwhelmed by their own abundance, lies in the planned use of America's resources following socialization. To give the sanction of government to sustain profits is not a planned economy, but a regimented organization for exploitation. The N.R.A. is at present in the stage of conflict of interests; but in proportion as the authority of government sanctions regulation by industrial combinations, the inevitable tendency is toward monopoly, with elimination of the small business.

At this critical hour, when strikes and riots are occurring in many sections, when in my own State of Ohio, in the city of Toledo, where 7,000 strikers are engaged in a hand-to-hand battle with a detachment of National Guardsmen, where many of the rioters were clubbed with rifles in the hands of the steel-helmeted troops, many seriously wounded, while none of the soldiers were hurt, and where the National Guardsmen were driving before them men, women, and children before the sharp points of gleaming bayonets, it is high time that N.R.A., which has just received an unanimous vote of confidence from the American Federation of Labor, and which was designed to help both industry and labor—it is high time that this institution received the honest support and not the carping criticism of Members of Congress vainly looking for political issues this fall.

These workingmen are fighting for the same right—to live not in bleak poverty but in an American standard and fashion of living. They do not expect, nor will they be compelled, to cower at the crack of the slave driver's whip. They demand their fair share of the wealth which they create. Wage workers are supposed to get a fair share of the wealth they create under N.R.A. codes.

The codes were devised to protect the wage workers equally with the captains of industry and finance. Thousands of

hours have been spent by N.R.A. officials upon codes which have been condemned and denounced by the Darrow Board after a few hours of hasty and biased consideration. N.R.A. has been the salvation of many industries, of countless thousands of wage workers.

No one else could have filled the most difficult, the least appreciated, the most maligned position of all in the Government service—that of National Recovery Administrator—as has that militant, dynamic, forceful national figure, Gen. Hugh S. Johnson. This job is not a job for kid-gloved professorial doctors, theorists, and quacks. It requires an individual of unquestioned honesty, integrity, and ability.

All of these qualifications were demanded when the President of the United States named his Recovery Administrator. The President is not disappointed in his selection. Honest and fair industrialists are not disappointed. The American Federation of Labor is not disappointed. Instead of business chaos and universal bankruptcy, or threatened receiverships, we now have begun an orderly march to a durable and permanent national industrial recovery, through the creation of N.R.A. by the Seventy-third Congress and President Franklin D. Roosevelt, administered by the fearless Gen. Hugh S. Johnson, and his corps of capable assistants.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Clerk read as follows:

SEC. 3. (a) The first sentence of the eighth paragraph of section 13 of the Federal Reserve Act, as amended, is further amended by inserting before the comma after the words "section 13 (a) of this act" a comma and the following: "or by the deposit or pledge of obligations of the Federal Deposit Insurance Corporation which are guaranteed both as to principal and interest by the United States."

(b) Paragraph (b) of section 14 of the Federal Reserve Act, as amended, is further amended by inserting before the comma after the words "bonds and notes of the United States" a comma and the following: "obligations of the Federal Deposit Insurance Corporation which are guaranteed both as to principal and interest by the United States."

(c) Section 31 of the Banking Act of 1933 is amended as follows: "so much of section 31 of the Banking Act of 1933 as relates to stock ownership by directors of member banks of the Federal Reserve System is hereby repealed."

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word only for the purpose of asking the chairman of the committee a question. The Banking Act of 1933, as I recall, provides that in banks capitalized for more than \$50,000, the stock ownership of a director must be at least \$2,500?

Mr. STEAGALL. That is correct.

Mr. DIRKSEN. And in banks of \$50,000 capital it must be at least \$1,500. In banks of \$25,000 the directors must own stock in the amount of \$1,000?

Mr. STEAGALL. That is correct.

Mr. DIRKSEN. By repealing section 31 of the Banking Act of 1933 would it be true that one could serve as a bank director in a member bank of the Federal Reserve System without owning any stock, and thereby evade responsibility?

Mr. STEAGALL. Under the original law which will be restored by the adoption of this amendment, directors in national banks where the capital is not above \$25,000, would have to have over \$500. In banks with capital of \$50,000 or more directors would be required to own stock in the amount of \$1,000. In State banks it is left for State control under the old law. That law will be restored by the adoption of this amendment. Unless this amendment is adopted, I will say to the gentleman, both large and small banks and especially the small banks throughout the country, many of them State banks, insist they will encounter many difficulties in meeting the requirements of this law at this particular time when it is so difficult to readjust the holdings of stock. In many instances stock could only be purchased at a premium.

That provision of the pending bill passed the Senate as a separate bill, but in order to save the time of the House on Monday and to avoid calling up the Senate bill under suspension, the Committee on Banking and Currency thought it wise to incorporate the provision in this bill. I hope the gentleman will not object to it.

Mr. HASTINGS. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. HASTINGS. That continues up to \$50,000, does it not?

Mr. STEAGALL. Absolutely. It restores the old banking law.

Mr. DIRKSEN. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 4. Section 12B of the Federal Reserve Act is amended (a) by adding after subsection (y) a new subsection to read as follows:

"(z) The Federal Deposit Insurance Corporation is hereby authorized and empowered to loan upon or purchase assets of any bank, savings bank, or trust company, which has been closed on or after December 31, 1929, and prior to January 1, 1934, and the affairs of which have not been fully liquidated or wound up, the assets of any such bank or any part of such assets upon such terms and conditions as the Corporation may by regulations prescribe. This authority shall extend to any such institution that has reopened without payment of deposits in full. The Corporation is further authorized and empowered, in case the Reconstruction Finance Corporation has made a loan to any such closed bank, to negotiate with the liquidating agent or receiver of such bank for an appraisal of its assets and the purchase thereof or the making of a loan thereon to take up the loan or any part thereof made by the Reconstruction Finance Corporation, if the Federal Deposit Insurance Corporation deems it desirable in the public interest and the loan will be reasonably secured. In making any purchase of or loan on assets of any closed bank, the Corporation shall appraise such assets in anticipation of an orderly liquidation over a period of years, rather than on the basis of forced selling values in a period of business depression. The Corporation is authorized and empowered to sell any assets acquired under this subsection and shall with respect to such selling and to the liquidation of assets of closed banks pursue and encourage a policy of extending the period of liquidation so as best to conserve the value of such assets and to prevent unreasonable sacrifice thereof.

"Not more than one half of the obligations authorized to be issued by the Corporation shall be used for the purposes set forth in this subsection. No portion of the capital stock or other funds of the Corporation raised for the purpose of insuring deposits in banks shall be used for the purchase of or loans on assets in banks closed prior to January 1, 1934, nor for the repayment of obligations the proceeds of which were used under the provisions of this section. Such obligations as are so used shall be paid only out of the funds received from the repayment of loans made and disposition of assets acquired pursuant to this subsection.

"(b) By striking out the sixth sentence of the first paragraph of subsection (1) and substituting in lieu thereof the following: 'The Corporation shall determine as expeditiously as possible the net amount due to depositors of the closed bank and shall make available to the new bank an amount equal to the insured deposit liabilities of such closed bank, whereupon such new bank shall assume the insured deposit liability of such closed bank to each of its depositors, and the Corporation shall be subrogated as hereinafter stated to the rights against the closed bank of the owners of such deposits. Where the net approved claim of a depositor on account of his deposits does not exceed the insured deposit liability the Corporation shall be entitled to receive all the dividends from the proceeds of the assets of such closed bank which would have been payable to such depositor on account of such deposits, and where the net approved deposit claim exceeds the insured deposit liability the Corporation and the depositor shall share ratably in the dividends insofar as the same are based upon deposit liability to such depositor according to the ratio that the insured liability to such depositor bears to the total amount of the net approved claim of such depositor'; and

"(c) By adding at the end of the first paragraph of subsection (v) the following additional paragraph: 'Every insured bank shall display at each place of business maintained by it a sign or signs to the effect that its deposits are insured by the Federal Deposit Insurance Corporation. The Corporation shall prescribe by regulation the form of such sign and the manner of its display. Such regulation may impose a maximum penalty of \$100 for each day an insured bank continues to violate any lawful provisions of said regulation.'

Mr. BROWN of Michigan. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Michigan: Section 4, page 10, line 4, after the word "prescribe", insert "if in connection with the reorganization, stabilization, or liquidation of any such bank assets have been trusted or are otherwise held for the benefit of depositors or depositors and others, the authority, subject to regulations, as provided in the preceding sentence, shall be extended for the purpose of authorizing the corporation to purchase or make loans on such assets held for the benefit of such depositors or depositors and others."

Mr. GOSS. Mr. Chairman, I reserve a point of order on the amendment.

Mr. BLANTON. Mr. Chairman, I ask for the regular order. Let us have the point of order decided.

Mr. GOSS. I make the point of order that the amendment is not germane.

The CHAIRMAN (Mr. FULLER). The Chair holds that the amendment is germane. The Chair therefore overrules the point of order.

Mr. BROWN of Michigan. Mr. Chairman, I shall not consume the entire 5 minutes. The purpose of this amendment is to cover a situation arising in many States in the Union, particularly the States of Ohio and Michigan, where liquidation corporations have been formed for the purpose of taking over the frozen assets in banks. Unless this provision is included in the bill, these depositors who have waived their deposits and where frozen assets have been taken over by trustees or by corporations organized for that purpose will receive no relief. The matter has been presented to both the majority and minority members of the committee and is acceptable to the committee.

Mr. STEAGALL. There is no objection to the amendment. I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Brown].

The amendment was agreed to.

Mr. THURSTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THURSTON: On page 9, line 25, after the word and figures "December 31", strike out "1929" and insert in lieu thereof "1925."

Mr. THURSTON. Mr. Chairman, my purpose in offering this amendment is to set back the date at which closed banks may make loans upon their assets. It is a well-known fact that the deflation did not reach the East until 1928 and 1929, and this bill will take care of the assets which they have in those banks; but in the farming sections of the country the deflation started 6 years earlier, and there are many banks now in the course of liquidation in the farming areas that will not have these loan funds available. I take it that it is a question of the value of the assets, and if this is true, the bank that was closed in 1926 or in 1928 should have the same right to make loans upon its frozen assets as a bank which was closed in 1930 or 1932.

No extended remarks are necessary in this connection. I believe the amendment should be adopted.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this amendment do now close.

The amendment was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Iowa.

The amendment was rejected.

Mr. DONDERO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: Page 10, line 1, after the word and figures "January 1, 1934," insert "and such bank, savings bank, or trust company shall be construed to include any State bank, private bank, mutual savings bank, or trust company which was or was not a member of the Federal Reserve System during such period."

Mr. DONDERO. Mr. Chairman, I ask the distinguished chairman of the committee whether my understanding is correct that under this bill \$1,125,000,000 is available.

Mr. STEAGALL. It is no such amount as that.

Mr. DONDERO. If the phrase "any bank" is going to be construed as including State banks, certainly there will be no objection on the part of the committee to my amendment. If this phrase does not include State banks, we ought to know it now; and I ask the chairman of the committee whether the phrase "any bank" in this bill is intended to include State banks and whether relief will be provided for such institutions.

Mr. STEAGALL. Absolutely and unquestionably.

Mr. DONDERO. Then what objection is there to the amendment I propose?

Mr. STEAGALL. The amendment offered by the gentleman is not necessary in the least.

Mr. SABATH. The gentleman has included private banks in his amendment.

Mr. STEAGALL. This bill applies to all types of banks.

Mr. DONDERO. But might not the courts construe the phrase "any bank" as applying merely to the national banks, and that thereby the State banks would be left out?

Mr. STEAGALL. There is not the slightest danger of that, Mr. Chairman.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan.

The amendment was rejected.

Mr. McLEOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Strike out the word "empowered" wherever it appears in section 4 and insert in lieu thereof the word "directed."

Mr. McLEOD. Mr. Chairman, this amendment in no way changes the meaning of the bill. It is a clarifying amendment and uses the word "directs" instead of "empowers." In other words, as I explained a few moments ago, if a receiver desires to have an asset of a closed bank appraised the insurance corporation is directed to appraise it, not empowered. It makes no difference as to the value that may be placed upon the asset, for the appraisal will be based strictly in accordance with the machinery and the mechanics of the bill using as the basis a future normal value.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. BLANTON. The gentleman is in favor of the bill and wants it passed, does he not?

Mr. McLEOD. Absolutely.

Mr. BLANTON. Why does the gentleman want to include in the bill something that will likely cause the President to veto the bill? With the word "empowered" in the bill the President will probably approve it, whereas if the word "directed" is substituted for the word "empowered", it may cause this bill to die.

Mr. McLEOD. The gentleman recognizes, does he not, that the word "empower" is strictly a grant of discretion and not a mandate?

Mr. BLANTON. The bill as written contains the proper language, and we have every reason to believe that the President will sign it; but if language is incorporated in the bill which the committee has not considered, it may cause the bill to die.

Mr. McLEOD. How does the gentleman know that the committee did not just slip up on this matter?

Mr. BLANTON. This committee does not slip up on things.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. BOILEAU. The gentleman's amendment would merely change the word "empowered" to "directed" so that the insurance corporation would be directed to appraise the assets. It does not direct them to make loans but directs them to take action on the application for a loan upon the appraisal of assets.

Mr. McLEOD. Exactly.

Mr. BOILEAU. There should be no objection to that.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. TRUAX. Have we not heard that old threadbare threat many times: If you do this or if you do that, the President will veto the bill? I should like to know upon whose authority the gentleman makes the statement that the President will veto this bill.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. McLEOD) there were—ayes 60, noes 127.

So the amendment was rejected.

Mr. DIMOND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIMOND: On page 12, line 19, add a new section to read as follows:

"Sec. —. Section 12 (b) of the Federal Reserve Act is amended by inserting within the parenthesis and immediately after the words 'District of Columbia', where they appear in the first sentence of the second paragraph of subsection (y), the following: 'and the Territories of Hawaii and Alaska.'"

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section close in 5 minutes.

The motion was agreed to.

Mr. DIMOND. Mr. Chairman, I shall yield back most of the time assigned to me.

In this amendment I seek merely to extend the benefits of the Federal deposit insurance provisions of the Banking Act of 1933 to the Territories of Alaska and Hawaii. There is no reason I can think of why the people of these Territories when they pay the price, as they must if they come under the provisions of this act, should be denied the benefit of the insurance provisions of the act.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield.

Mr. KVALE. I, for one, voted for that act, and am surprised that the Territories of Alaska and Hawaii were not included. I am wondering if it was not an oversight and if the chairman of the committee will not accept the gentleman's amendment?

Mr. DIMOND. I think it was an oversight at the time of the passage of the original act, and I hope the committee will accept the amendment, because I cannot think of a single reason which would impel any Member to vote against it. We are not asking for any privilege, we are asking only for the same rights granted to the banks in the States; and we all know that any bank that does not avail itself of the deposit insurance is going to be pretty badly off. Why should not our banks be given the same treatment you claim for yours? We merely ask for equality in this matter for the Territories of Alaska and Hawaii. [Applause.]

Mr. STEAGALL. Mr. Chairman, the committee does not object to the amendment of the Delegate from Alaska. [Applause.]

The amendment was agreed to.

Mr. DONDERO. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: Page 10, line 25, after the word "thereof" strike out the period, add a semicolon and insert the following: "Provided, however, That such period shall not extend beyond 10 years from the date this act shall become effective."

The amendment was rejected.

The CHAIRMAN. Under the rule the question is on the substitute amendment of the committee for the Senate bill.

The question was taken; and on a division (demanded by Mr. PATMAN), there were—ayes 202, noes 0.

So the substitute amendment of the committee was agreed to.

Mr. STEAGALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. FULLER, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill, S. 3025, to amend section 12B of the Federal Reserve Act so as to extend for 1 year the temporary plan for deposit insurance, and for other purposes, pursuant to House Resolution 393, he reported the same back to the House with an amendment adopted by the Committee.

The SPEAKER. Under the rule the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 175, noes 0.

So the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS—S. 3025

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. Sisson. Mr. Speaker, there was no act of the first session of the Seventy-third Congress which the Members of this House may look back upon with greater pride of achievement than the passage of the Banking Act of 1933. That act, while containing other useful and constructive provisions, brought to complete fulfillment the efforts of a number of men who have given long, useful service to the country and to the Membership in this body in achieving the Federal insurance of bank deposits and the sense of security of our people through the protection of their earnings and savings in the banks of this country.

The Chairman of the House Banking and Currency Committee, the gentleman from Alabama [Mr. STEAGALL], a man under whose leadership it has been my privilege and joy to serve, may justly regard his part in bringing his efforts of many years to this successful conclusion as one of the most useful acts of statesmanship during this generation.

The bill before the House contains two important features: The extension of the temporary plan or fund for the insurance of bank deposits, and the provisions for the relief of those who have deposits in closed banks.

I wish first to speak very briefly regarding the extension of the temporary plan for bank-deposit insurance. I am one of those who have not entirely agreed with the recommendation purporting to have come from the administration that it is necessary that the operation of the permanent plan or fund should be deferred for another year.

I would not be so conceited as to back my judgment against the judgment of those men more experienced in the principles and practice of banking than myself; but frankly, my colleagues, I am suspicious of the motives not of anyone actually representing this administration, not of the Comptroller of the Currency or the Chairman of the Board of the Federal Deposit Insurance Corporation, but of some of the gentlemen who have come before our committee or who have otherwise sought to influence the Banking and Currency Committee or to influence the Congress for the complete postponement of the permanent plan or fund. The American Bankers Association last summer, in convention assembled, in a resolution passed by that body, solemnly called upon the President of the United States not to put this act into operation. I do not believe that a majority of the bankers of the country, or a majority any longer of the big bankers, are opposed to what we regard as the heart of this act, the provisions for the assessment of each and every member of the fund, which provide in effect for an unlimited guaranty of the deposits of every depositor in the fund, small or large; but I know that there are those, who perhaps claim to represent more than they do actually represent in the financial structure and life of the country, who would like to strike a dagger through the heart of the plan—the liability of each and every member bank in the fund through the assessment provisions of the act for the security of the deposits in every bank that has come into the fund.

When we passed the act last year it was made necessary in the closing days of that session to make certain compro-

mises and in effect to eventually put provisions into this act which would require a State bank in order to participate in this fund to become a member of the Federal Reserve System. Some of our leaders who did not believe in that kind of coercion were compelled to swallow it in order to get the act passed at all. We have now in this bill remedied that.

The House Banking and Currency Committee has dared to use its own judgment as against the judgment exemplified in the bill passed by the body at the other end of the Capitol, and I trust that the judgment of our committee may be sustained by the Membership of the House. We have ventured also to increase the amount of the insured deposit from \$2,500 to \$5,000, effective July 1, 1934. This, I believe, is an improvement upon the Senate bill. I say it is an improvement because I suspect that the Senate bill was passed somewhat in deference to advice given in some instances by those who were really opposed to the insurance of bank deposits.

As I indicated a moment ago, I do not claim to be an expert in banking, but as a lawyer I have learned to seek for my guidance in the preparation for trial of a lawsuit the advice of those who are experienced and learned in their particular lines and also in weighing and evaluating the testimony of so-called "expert witnesses" to look not only to their qualifications but to their probable bias, prejudice, or interest.

The Chamber of Commerce of the United States, for example, sent out a communication containing certain resolutions recently passed by that body, and I wish to read into the Record the communication which that body sent me as a member of the House Banking and Currency Committee, and I call the attention of the Membership of this House to the fact that while asking for the extension for another year of the temporary plan which would insure deposits only up to \$2,500, that august body was so—shall I call it brazen or stupid?—as to give the following advice:

The present law providing for a so-called "permanent plan" should be repealed.

Why, if we believe in the insurance of bank deposits, take the advice regarding the operation of the law for the insurance of bank deposits that is given by a self-confessed enemy of the bank-deposit insurance, one who openly says that the entire law should be repealed?

It was for this, among other reasons, why I, as a member of this committee, knowing that we have taken one step safely toward the ultimate goal of the security of the depositor and the prevention of bank failures in this country, small as well as large, believe that we now should take another step forward by increasing the amount of the deposit to be insured. In deference to the advice of the directors of the Board of the Corporation, we have postponed for another year, as requested, the operation of the permanent part of the act. But to show the people of this country that the Congress of the United States means to go ahead with this plan, American Bankers Association and Chamber of Commerce of the United States to the contrary notwithstanding, we have made what I believe you will agree are two important improvements upon the Senate bill.

There is one other argument urged upon us, I believe, by the enemies of insurance of bank deposits, that under the permanent plan bank deposits ought only be insured to the extent of \$2,500, or at the most, \$5,000. That is this: That insurance to the extent of \$2,500 will take care of about 97 percent in number of all the depositors in all of the banks in the country, and that the large depositor, the man who has \$10,000 or \$50,000 or more than \$50,000 on deposit in the banks, can look out for himself. He does not need insurance.

This is a specious plea. It is an unsound plea. In the judgment of the men who want to maintain the small independent banks, the middle-sized independent banks, who want to protect business and industry against the paying of a toll to the great financial centers, it would not act as a sure preventive of bank failures in the future. You Members who have in your districts banks serving communities ranging from the hamlets of 500 to 1,000 people up to cities

of one hundred and fifty to two hundred thousand population in size, know that the banks in those communities are dependent, and that industry and business in those communities are dependent, upon the retaining of certain fairly good-sized deposits in the banks in those communities.

Now, if anything happens to cause alarm in any section of the country, and there is a rumor that one of your banks is shaky, and the depositors are insured only from \$2,500 to \$5,000, what will happen to your larger deposits in those banks? Why, they will all be withdrawn down to the limit of the maximum insured deposit. We shall have a repetition some years to come from now of what happened in the years from 1929 to 1933. It is for this reason, among others, that we should maintain this act as it now is against assaults upon it from those who would concentrate banking and banking facilities in the larger financial centers.

The other part of this bill, which is almost if not quite as important as our resistance to the assaults made upon the insurance of bank deposits, is that relating to the relief of depositors in closed banks. I appreciate that this part of the bill will be regarded by a great part of the Membership who are actuated by their sympathy for the sufferings caused by the loss of the life savings of those who had their deposits in failed banks, as falling short of giving the relief which we should all like to give to those who were stricken through the loss of that which they had believed to be safe.

I cannot have any criticism of the Members of this House who wanted to pass the original McLeod pay-off bill. I was opposed and am opposed, however, to the principle embodied in that bill or the principle embodied in any bill which seeks to pay 100 cents on the dollar to depositors, large or small, at the expense of the taxpayers, direct or indirect, large and small, and at the expense of either still further extending and perhaps dangerously straining the credit of the Federal Government, or creating the dangerous precedent of starting a pay-off of those who have lost money in financial transactions wherein the Federal Government might be thought to have some duty of supervision. I believe in preventative measures, rather than in panaceas or cure-alls. The insurance of bank deposits will, I believe, prevent the recurrence of the terrible losses which thousands of our depositors suffered. The original McLeod pay-off bill made no provision for depositors in nonmember State banks.

The justification urged for it was perhaps twofold: First, the supervision exercised by an agency of the Federal Government over the affairs of the national banks and the banks that were members of the Federal Reserve System; second—and this was the principal justification which I heard urged for it, and most eloquently, by a former most able and distinguished member of a former Democratic administration, Hon. A. Mitchell Palmer—that President Hoover had urged people to leave their money in the banks. I submit that President Hoover at the time that he urged this upon the people of the country—and I say this regardless of partisan politics—was giving the best advice that any man of finite, human knowledge could have given under the circumstances without full knowledge of the facts, and that he was honestly attempting to save the country from the terrible blow which did finally fall upon it.

But if this be urged as a justification for paying off 100 cents on the dollar to depositors in the national and member banks, it applies with equal force to the depositors in the failed nonmember banks.

It has been conservatively estimated that to carry out the provisions of the original McLeod bill it would have required a billion eight hundred millions of dollars, and that if the bill took care of the depositors in nonmember banks as well, it would have required, of course, a far greater sum. The bill was unsound in principle and unjust in application. I do not urge this to influence or inflame you, but it is said that had this bill been enacted into law, Henry Ford would have received from thirty-two to thirty-six million dollars, largely, if not entirely, at the expense of the people who have to pay the taxes, direct or indirect. Furthermore, as a practical matter, and in legislating, we must at times be practical, for all legislation is a result of compromise; it was

sure that this bill would have met with Presidential veto, and the passage of this bill would therefore have been the merest political gesture—"as idle as a painted ship upon a painted ocean."

This bill now before the House is a good bill in this respect that it is sound in principle, it attempts to give immediate relief to the depositors in all failed banks and to supplement or improve upon the method that has heretofore been employed through the Reconstruction Finance Corporation by empowering the Federal Deposit Insurance Corporation to purchase or loan upon the remaining assets of all closed banks and in appraising such assets to take into consideration liquidation over a reasonably long period of time, and this in order to give every depositor the benefit of every possible doubt in his favor without taking the money out of the Treasury and handing it over to him at the expense of those who have to pay the taxes direct and indirect.

I appreciate that it does not meet the expectations of those who plead that the small, if not the large, depositors ought to be paid in full, but it is the best bill and the best method that we can pass at this session of the Congress, and if you gentlemen who believe in a greater measure of liberality at the expense of the Federal Treasury and the taxpayers still wish to do what you can as a practical matter for these depositors in failed banks—and do it now—you will vote for this bill.

I could not properly close my remarks without paying, as one of the members younger in point of service on the House Banking and Currency Committee, my small tribute of respect, admiration, and affection to the chairman of our committee, the older members of our committee, the gentleman from Maryland [Mr. GOLDSBOROUGH], the gentleman from Mississippi [Mr. BUSBY], and to all, I may say, of the members of the committee, many of whom have borne patiently with me; and, while comparisons may be futile, I wish particularly also to pay my meed of respect and more, because of his great ability, his great industry, his great fairness and freedom from partisanship, at least while engaged in the labors of the committee, the ranking minority member of the committee, the gentleman from Massachusetts [Mr. LUCE].

I should also call it to the attention of the House that the part this bill, which affords, in my belief, as I have indicated, the best possible relief that can be granted under the circumstances to the depositors in failed banks, is very considerably the result of the work of the very able gentleman from Michigan [Mr. BROWN].

Mr. HASTINGS. Mr. Speaker, I am in hearty sympathy with the guaranty of deposits of banks. I have been advocating this since I came to Congress. Year after year I have introduced a bill to that effect and made a speech in favor of it. I am glad to see public sentiment change and was glad to support the bill last year when it was originally enacted.

The bill which I introduced provided that each bank which was a member of the Federal Reserve System should be required to take out blanket insurance with a reputable insurance company approved by the Secretary of the Interior to cover 25 percent of the deposits and for the benefit of all depositors. In my State each bank must insure State funds, county funds, school funds, Indian funds, and in fact all public moneys. I have never seen any reason why this same principle should not be applied to individual funds. I have, year after year, ever since I have been in Congress, introduced a bill requiring a blanket insurance to be taken out by each bank which was a member of the Federal Reserve System for the benefit of its general depositors.

The reason why the bill which I introduced only required insurance to the amount of 25 percent was that the report of the Comptroller showed that throughout the past several years insurance up to this amount would be adequate to cover losses of banks. I appreciate that, under these distressed times, such a bill as I introduced perhaps would not meet the situation because banks now would be unable to furnish the required bonds, but I want to take this occasion

to invite the attention of the House to my advocacy of bank-deposit insurance and to repeat here that, in my judgment, the only safe method of insuring bank deposits is to require every bank to take out blanket insurance in such an amount as may be thought adequate to protect all depositors.

I have insisted that this was the best for the banks, because it would have the effect of bringing out of hiding millions of dollars of money which is being hoarded. This has proven true since the enactment of the original measure. The deposits of banks have greatly increased, and out of the increased deposits the banks have been able to earn more money from the deposits.

For this reason I am glad to give support to any measure which looks to the guaranty of bank deposits as being in the interest of the public and in the interest of the shareholders of banks as well.

I have frequently stated that I never saw any difference in principle in banks being required to guarantee deposits of public funds including Federal funds and those intrusted to their care by the general public.

In my State of Oklahoma every bank, I do not care how strong it is, is required to secure deposits of Federal funds, Indian funds, county funds and city funds, and, in fact, all public funds. These banks have the confidence of the public, but in order to protect these funds the law requires that a special guaranty be given. Now, the same principle should apply to deposits of the farmer, the laboring man, the small-business man, the washerwoman, and, in fact, every class of depositors, regardless of their station in life. The law should protect all alike.

This bill only extends the provisions of existing law which creates a fund thought to be adequate to protect all deposits up to \$5,000. The original act restored confidence. I knew it would. Is it not wonderful that since the original act was enacted and went into effect on January 1, 1934, not a single member bank whose deposits are guaranteed under the provisions of the act has failed? This shows, as I have previously argued, that it protects not only the public, including depositors of all classes, but the shareholders of the banks as well.

I have tried to emphasize this point to those who own bank stock. Many thousands of dollars would have been saved to the owners of bank stock if this requirement had been enacted into law years ago. Of course, it requires the banks to pay a small premium assessed against them, to be added to the guaranty fund, and this is limited to 1 percent of the insurable deposits, but this insurance inspires confidence in the banks in the minds of the people, prevents runs on banks, and therefore makes banks less likely to fail, and is, therefore, of great benefit to the shareholders of the banks as well as the depositors and the country generally. The shareholders are more than compensated for the small assessment which must be paid by the additional amount of deposits made through restoration of confidence in the banks.

This bill also restores the old law with reference to the amount of stock a director may have, and instead of requiring stock to the amount of \$2,500, one may continue as a director if he owns as much as \$1,000 of the stock unencumbered.

I am not so sure of my ground with reference to section 4 of the bill. I have tried to have this section explained, but the discussion has turned to other parts of the bill. Unfortunately, section 4 of this bill has not been sufficiently analyzed, either in the statement made by the chairman of the committee or in the report, nor am I satisfied with the attempt to analyze it while it was under discussion in the House. It was rushed through at the close of a long day.

My judgment is that the assets upon which loans may be extended under section 4 of the bill are of but little value, and my judgment warns me that losses will be sustained upon them by reason of the enactment of this provision. Separate and apart from the bill, I would not vote for this section. No good reason has been assigned, either in the debate in the House, or in the report, or in the press, why the Government is under any obligation, legal or moral, to

come to the relief of the failed banks and extend credit on assets of doubtful value as far back at December 31, 1929, and prior to January 1, 1934.

This bill authorizes the Federal Deposit Insurance Corporation to spend its funds in purchasing the assets of failed banks between these dates. No business man would do it. No solvent bank will, and no solvent bank or mortgage company has done so. Just why this section is incorporated in this bill and rushed through the House without debate or explanation is not clear to me. I think everyone must realize that these assets are of but little value. The hope unquestionably is entertained that something near par value will be given for these assets, or rather loaned upon them. I regard this as dangerous legislation and cannot justify a vote for this section standing alone. The Government is not under any obligation, legal or moral, either to purchase or make a loan upon these assets. By this bill we are instructing the Federal Deposit Insurance Corporation either to make loans upon or purchase these assets, which no solvent bank or mortgage company will purchase or make loans upon.

I want to say to the House and to the country that this section is against my judgment. I am not deceived about it. There has been too much propaganda in an effort to have these frozen assets of doubtful value purchased by the Government. Why does not someone on the floor of the House, or through the press, or otherwise, give some reason why the Government is under any legal or moral obligation to make loans upon or purchase these assets prior to the time when the original Deposit Guaranty Act went into effect on January 1, 1934?

I have listened intently to the many statements made and have read much propaganda in the newspapers, but no sufficient reason, in my judgment, has been given why these assets should be loaned upon or purchased by the Government.

Now, anyone who has ever had any experience in banking knows that notes extending back as far as December 31, 1929, and past due almost 5 years ago, and upon which collection cannot be made, are of but little value. Every Member of Congress and every Member who supports this bill knows that he would not invest his own private money in these notes. This may be strong language. I agree that I do not have all the facts; but I do know that uncollected notes that are outstanding, made as far back as December 31, 1929, and when efforts have been made to collect them and this cannot be done—I would not invest a dollar in them myself.

If the notes were good, and if all that was necessary was the extension of credit in order that they might be realized upon, I readily agree that the Government should do that, but I feel certain that the purpose of the enactment of this bill is either to secure loans of greater value than the assets are worth, or to have them purchased at a value far beyond their worth.

I take this occasion to warn those charged with the administration of this act that when grief does come, as I believe it will, and when this Federal Deposit Insurance Corporation suffers loss because of investments in these assets, it cannot be said that all those charged with the responsibility of examining the provisions of this bill at the time of its enactment, were asleep at the switch. This is the most indefensible provision, in my judgment, ever enacted by Congress. I hope the conferees will reject it.

Mr. SABATH. Mr. Speaker, for the purpose of expediting and making possible the passage of this bill today, I have refrained from speaking on the measure, and in order to insure final consideration today I have asked others to do likewise. But I feel it my duty to make clear my position on the bill in view of having been criticized by certain Chicago newspapers for not signing the McLeod petition. About 10 days ago I issued a statement setting forth why I could not sign that petition or any other of the 30 petitions now on the Speaker's desk.

As nearly all Members are aware, there was a strong demand for the repealing of the discharge rule, but feeling

that the discharge rule may become helpful in obtaining action on future legislation, I was instrumental in counteracting the demand for its repeal. At that time, all those who felt as I did agreed that if the rule would not be repealed they would not sign the petitions, filed, as I suspected, on the part of many Republicans for the purpose of creating publicity for campaign purposes and of disarranging the legislative program of the House. Unfortunately, many of those Members forgot and did lend themselves to be used in signing many of the petitions on the Speaker's desk. In the statement which I issued I set forth clearly that the McLeod bill only applied to the Federal Reserve member banks; that I was interested in relieving all depositors in all banks, and that the Committee on Banking and Currency had been deliberating on a bill to bring about that relief when Mr. McLeod introduced his bill on February 12. He was accorded a hearing on the 27th of February, and on March 5 he introduced another bill, and on this second bill he was accorded a hearing on March 27. On April 12 he filed his petition to discharge the committee, notwithstanding that he had had two hearings and that the committee had been considering legislation to relieve the unfortunate depositors long before he introduced his bill.

In my statement I also pointed out that within a few days a more comprehensive and a better bill would be reported by the committee with good chances for passage. Notwithstanding this, the attack upon me on the part of the two Chicago papers continued. Following these attacks I have received hundreds of letters and telegrams, but nearly all of them came from outside of my district, and this is attributable to the fact that the people of my district are fully aware that I have at all times been helpful to those in need of relief. Consequently I was, indeed, gratified that I gave no misinformation in the statement I issued, as today the House passed the committee bill, known as the "Steagall bill", which will make available \$1,250,000,000 for the purpose of repaying depositors not only in the Federal Reserve member banks but also depositors in all banks, both National and State. I stated that I was opposed to the paying to depositors in private banks, and I am glad that that provision was eliminated from the bill. As the Federal Deposit Insurance Corporation is already in existence, with the Honorable Leo T. Crowley as its head, which Corporation has already rendered great service to the banks and to the Nation, I am satisfied that the provisions of this bill will be judiciously carried out and the unfortunate depositors will shortly receive their deposits which were lost to them through the closing of their banks due to the destruction that was brought about by the big financiers and manipulators in 1929, aided and condoned as they were in their nefarious practices by the Republican administration. Under this bill the assets of these banks will be taken over by the Corporation and as soon as the assets can be checked the Corporation will advance money to the banks for payments to the depositors. The provisions of the bill are such that the usual long delay in payments will be unnecessary, and I hope the Senate will approve of these provisions, as the Government is safeguarded and protected, and that the President will sign the bill. This would not have been possible with the McLeod bill.

So once more my judgment and my act have been completely vindicated and my position sustained. At the end of my remarks I will embody the statement which I issued, and even my enemies will be obliged to admit that I knew whereof I was speaking then, and they will once more be disappointed in not being able to mislead the people.

At the beginning of the debate on this measure my Republican colleague from Maine tried to show that this legislation was recommended by President Hoover and should have been passed before, and further pointed out that if the Reconstruction Finance Corporation from its inception had had sufficient capital that the benefits of this bill could have been attained and that the money of the banks and the funds of the depositors could have been saved, and by other innuendo the gentleman attempted to criticize or find fault with the present administration. But this demonstration

on the part of the gentleman, as has been stated, was only for the RECORD and not from his heart, as he knows that this administration has already saved one half of our banks and adopted a tremendous amount of relief legislation. I requested the gentleman to yield to me while he was making his political speech, but he declined. It was my purpose to call his attention to the fact that in 1931 I introduced a bill which provided for the appropriation of \$1,000,000,000 for capitalization and \$5,000,000,000 for a bond issue, making a total of \$6,000,000,000 available to the Reconstruction Finance Corporation to aid not only the banks, insurance companies, railroad companies, but also the industries of our country, the home owners, and municipalities. Had my measure been adopted instead of the bill of Representative STRONG, there would have been no need for this legislation, and we could have saved the great losses and suffering that occurred since that time.

The gentleman from Maine should remember, as he was present when I advocated before his committee the passage of my bill, that it was Assistant Secretary Mills, under Mellon, of the Hoover administration, who was opposed to the appropriation of such a large amount and who testified that five hundred million, with triple that amount in a bond issue, would more than suffice. May I also call his attention to the fact that if the Republican members of the Reconstruction Finance Corporation had been as fair to the small banks as they were to the Dawes and other large banks, at least half of the banks of the country, as well as the 42 banks in Chicago that were obliged to close in 1932, could have been saved? The trouble with him, as well as his colleague from New York [Mr. FISH], is that they are trying to make the country believe that all the wisdom is possessed by the capitalistic group or by those who possess great wealth. If that be true, it has always been used for their own advantage and against the interests of the people. I know that we have thousands upon thousands of highly intellectual, honest, and sincere men who possess just as much knowledge and ability as do these financiers that the gentleman from New York [Mr. FISH] and the Republican leaders continually demand should be followed, notwithstanding that they are the men who brought about the crash and panic of 1929 and the destruction which followed throughout our whole Nation. But I shall not dwell any longer upon these Republican misdeeds, as I feel that the country is fully aware and that these attacks on the Roosevelt administration on the part of these Republican special-interest representatives will not again warp the minds of the American people. The people of America are satisfied, and will appreciate and continue to trust President Franklin D. Roosevelt, whose undenied and courageous determination in behalf of the Nation and especially the masses will be crowned with success and happiness, and content will shortly prevail in the length and breadth of our Nation.

The statement previously referred to follows:

CONGRESSMAN SABATH'S REPLY TO HIS CRITICS AND THE REPUBLICAN SIGNERS OF THE McLEOD PETITION

When President Roosevelt was inaugurated on March 4, 1933, every national as well as State bank in the United States was closed—95 percent of them were insolvent. Most of them have been reopened with the aid of the Government and the law guaranteeing deposits up to \$2,500 enacted. President Roosevelt, some time ago recommended special legislation to help depositors of closed banks, which bill is now pending and will be enacted. And whilst legislation to that end was being worked out, Congressman McLEOD, of Michigan, introduced a bill to pay the depositors of the Federal Reserve System banks. This mainly to take care of the Detroit banks and especially Mr. Henry Ford to the extent of about \$32,000,000, but not a cent to the depositors in the State banks that are not members of the Federal Reserve System.

On April 12, however, the Committee on Banking and Currency reported a bill which would include all the banks; but, unfortunately, also provided for paying of depositors of all private banks, which is very dangerous, because nobody is in a position to tell how many hundred millions of dollars this would take.

Mr. McLEOD, who is one of the Hoover Republicans, in a hopeless and discredited minority, and not in harmony with the progressive and beneficial policies of President Roosevelt and the Democratic Congress, has never made an attempt to obtain a special rule for the amended bill; but another Detroit gentleman filed a discharge petition, and, due to the Republican ballyhoo, 137 Members—Republicans and a few misguided Democrats, who deliberately are

trying to confuse President Roosevelt's plans and secure for themselves some publicity—signed it.

In addition to this petition, there are 30 other petitions on the Speaker's desk asking the discharge of many of the committees from considering bills before them. If all would secure the number of signatures necessary, it would be impossible to pass these bills even if Congress remained in session the whole summer and sidetracked all legislation recommended and urged by the President. We, who are wholeheartedly with President Roosevelt, fully understand that these petitions have nearly all been filed with deliberate intent and most of them solely for the purpose of interfering, preventing, or delaying the President's carefully worked-out program.

Furthermore, it would be wasting the time of the House with bills that have no chance of passing the Senate or of obtaining the approval of the President, and this fact is known to Mr. McLean and those who are demanding the signing of this petition.

During this session we have already appropriated \$3,700,000,000 for the Army, Navy, pensions, and to run the Government. The Government is loaning to home owners, to the banks, to States and municipalities, to the farmers millions each and every day. We must appropriate \$1,332,000,000 more for public works to create employment, and, in addition to this, within a few days we shall pass the bill appropriating approximately \$500,000,000 to loan to the industries of America and another \$500,000,000 to aid in repairing and rebuilding the homes of American citizens. This will require approximately \$8,000,000,000, and though we will shortly pass the silver remonetization bill, which will give us approximately \$2,000,000,000 more in currency, we are face to face with the problem of how to obtain the additional billions required. How to get this fabulous sum is not an easy task. Yes; it is impossible without impairing the credit of the Nation.

Day in and day out the unfriendly press and the Republican Members are charging that we are appropriating and expending greater sums than we can possibly repay. And notwithstanding that they are advocating the signing of these petitions which would force legislation through calling for about \$4,000,000,000 more. In addition to all this, the farmers' bloc demands that we should take up mortgages on their farms and loan them the money on a 1½-percent basis, and the million and a half real-estate gold-bond holders are urging that something be done for them. The House already has passed the bonus bill which may cost over \$2,000,000,000.

Personally, I should be extremely happy if we could—and I believe we will—repay nearly all depositors and bondholders, loan about \$3,000,000,000 to the farmers at 1½ percent, pay the bonuses, provide old-age pensions and unemployment insurance, return to the people the homes, buildings, and farms they have lost, increase pension and compensations to World War veterans, repay all losses the widows and orphans lost on stocks and bonds, and even bring back to life the thousands who committed suicide, which the Hoover Republican Party, under the criminal leadership of Wall Street, is responsible for. But it is impossible to do all of this during this session.

Yes; President Roosevelt and the Democratic Congress are doing everything humanly possible to relieve conditions and reestablish confidence. Though we have provided employment for at least 6,000,000 people up to now, who for 3 years have been out of work, we still have approximately nine to ten million wage earners for whom employment must be provided and who up to that time must be fed. Please contrast this with the do-nothing policy of President Hoover and his administration and refusal to provide even food for the starving hundreds of thousands of men, women, and children.

It has taken the Republicans and financial leaders 12 years to bring about the greatest catastrophe and destruction any nation has ever suffered. They have been responsible for the closing and bankrupting these banks and the robbing of millions of depositors. And notwithstanding that President Roosevelt and Congress are doing everything possible to help to reconstruct and rebuild the Nation, improve conditions and reestablish confidence, President Roosevelt and Congress are being thwarted in every conceivable manner in these efforts by the disloyal Republicans, misguided Democrats, and the vested interests.

I regret that it has been impossible to accomplish all we would like in the short space of 14 months, especially when the very special interests who brought about this destruction are in every way trying to prevent it. The blackest Republicans cannot charge that President Roosevelt is not honest and has not the interests of the people at heart and that he is not trying his very utmost to do all in his power to help the country and the masses. Therefore I have supported his program and his policies and I am standing by him. As between the Wall Street manipulators and the selfish Republicans, I shall continue to support President Roosevelt to the limit, regardless of what dishonest and insincere enemies will say or do, and it is for the above reasons that I have not signed the 31 petitions. Most of them have not been filed in good faith. They were filed to becloud the real, honest achievements of President Roosevelt and the Democratic Congress.

In conclusion let me state that the President and the Democratic leaders have agreed on a bill to help the depositors of all banks, but it will be done in the regular way and at the same time protect the interests of the Government.

CONGRESSMAN A. J. SABATH,
Fifth District, Illinois.

Mr. SMITH of Washington. Mr. Speaker, I am actively supporting and voting in favor of this meritorious measure

to extend for 1 year and to increase from \$2,500 to \$5,000 the deposit-insurance provision of the Banking Act of 1933 and authorizing loans upon or purchase of assets of closed banks, which is the fortieth major progressive act for which I have voted during the special and regular sessions of the Seventy-third Congress, to wit:

40 AFFIRMATIVE VOTES

Emergency Banking Act; Farm Relief Act; Loans to State Banks Act; Guarantee Bank Deposits Act of 1933; Unemployment Relief Act; Emergency Farm Mortgage Act; Crop Loans Act; Muscle Shoals Act; Transfer Tax on Electric Energy from Consumer to Utility Company Act; St. Lawrence River Project Resolution; Wagner-Lewis Relief Act; Agricultural Relief Act, with expansion of currency amendment; Securities Act; National Industrial Recovery Act; Public Works Act; Farm Credit Act; National Employment Service Act; Farm Mortgage Corporation Act; Gold Devaluation Act; Agricultural Adjustment Act; amendment for Cattle Relief Act; Crop Loan Act amendment; revenue act, stopping leaks and income-tax evasions; soldiers' bonus bill; Reciprocal Tariff Act; Foreign Debt Act, prohibiting defaulting nations from selling securities; Home Owners' Loan Corporation Principal Guarantee Act; immigration act amendment to exclude alien seamen—Chinese, Asiatics, and Mexicans; Restoration Substitute Mail Carriers' Pay Act; Adjustment of Rural Carriers' Pay Act; Removal of Postal Furlough Act; Vocational Education Act; Women's Equal Rights Nationality Act, permitting citizenship rights to children through the mothers as well as the fathers and removing all sex discrimination; Dies Silver Act; Couzen's 10-percent increase on income-tax levy on big incomes; Stock Exchange Act; Civil Works Act; Public Roads Appropriations Act, with amendment for 25 percent for feeder, rural-mail, school-bus roads, and providing funds for Indian reservations, national forests, and funds for repair and recondition of Federal highways and bridges damaged by floods; Loans to Small Industries Act, including oyster industry and loans to school districts to pay teachers' salary warrants; and Bank Deposit Guaranty Act of 1934 and loans and aid to closed banks to pay off depositors; Silver Purchasing Act of 1934; National Housing Act; Retirement (Pension) System of Railroad Employees Act; Act to Amend the Railway Labor Act.

NEGATIVE VOTES

I voted against the Economy Act, and also voted to override the veto of the independent offices bill, in conformity with my preelection pledges made to the veterans of our wars during the campaigns of 1932.

MOTIONS TO DISCHARGE COMMITTEES

I have also signed the following motions or petitions on the Speaker's desk to discharge committees and bring the bills before the House for consideration, to wit: Frazier-Lemke farm bill, soldiers' bonus bill, Crosser 6-hour-day railroad bill, bank deposit pay-off bill, Wagner-Connelly 30-hour week bill, and a Connery-Black 30-hour week bill with Senate amendments.

Mr. Speaker, this is a voting record of which I feel justly proud, for I have the personal satisfaction of knowing that I have voted in favor of a greater number of truly progressive and liberal measures than have ever come before Congress during any previous session in the 150 years of American history, "that this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, and for the people shall not perish from the earth."

Mr. BROWN of Michigan. Mr. Speaker, I greatly regret that the necessity for haste in getting this legislation to a vote prevents many on the Banking and Currency Committee from expressing our views in the debate on the floor of the House and forces us to extend our remarks in the RECORD under the permission granted.

The features of the bill which I will discuss are: First, briefly, the extension and increase of the temporary guaranty; second, the assistance to closed banks.

Many of us on the Banking and Currency Committee were opposed to any postponement of the full operation of the guaranty law, but the very convincing arguments of Chair-

man Crowley, Judge Birdsell, and Director Bennett, of the Federal Deposit Insurance Corporation, and Comptroller O'Connor of the Treasury, persuaded us that another year should be given for the purpose of putting the banks of the country in better condition. The Reconstruction Finance Corporation and other Government agencies are busily engaged in solidifying our banking structure, and I shall content myself, without detailing the reasons, by saying that a large majority of the committee reached the conclusion that additional time should be given for this work, and that the Federal Deposit Insurance Corporation should not undertake a great increase in its obligations until better conditions prevailed.

It must not be taken from the above that I have any doubt as to the stability of the banks of the country at the present time. They are in vastly better condition than they were before the temporary guaranty went into effect, but it is certainly logical to take advantage of the present opportunity to perfect as far as possible the structure.

On the question of the amount of the temporary guaranty, the committee refused to be content with the present \$2,500 figure. It was felt that notwithstanding the fact that over 90 percent of the depositors were cared for in full, that a

figure of \$5,000 would not greatly increase the obligations of the Corporation, and would at the same time indicate to the country that the House committee was determined that there would be no indication of any change in its position that bank-deposit insurance in the United States was permanent. The committee has been assured on high authority that it is the policy of this administration not only to continue but to extend bank-deposit insurance, and I am very happy to be able to give this assurance to the House of Representatives.

Section 4 of the bill deals with assistance to banks which were closed prior to January 1, 1934 (the effective date of the temporary insurance act) and after December 31, 1930. It provides briefly that the Federal Deposit Insurance Corporation may loan to the receivers, liquidating agents, or other proper officers having charge of closed banks or of frozen assets of reopened banks on an appraisal "in anticipation of an orderly liquidation over a period of years", rather than on the basis of forced selling values in a period of business depression. This is the heart of the section. If liberally administered, this should release something over a billion dollars to depositors holding claims against closed or reopened banks. I have an estimate from the Secretary of the Treasury, which I now set forth:

Schedule indicating net deposits, deposits paid off and unpaid deposits, together with Reconstruction Finance Corporation advances, recoveries and losses in connection with deposit pay-off bill involving all banks closed since Jan. 1, 1930, and still in liquidation. Outline herewith gives effect to plan for payment in full of all accounts of \$2,500 and less and payment up to \$2,500, for all accounts above \$2,500, including in each case credit for dividends already paid

Classification of deposit accounts, by size (gross deposits, \$5,532,142,344)	Number of accounts by groups	Number of accounts	Amounts of deposits by groups	Deposits			Reconstruction Finance Corporation		
				Net	Paid	Unpaid	Advances	Recoveries	Losses
	Percent		Percent						
\$0 to \$500.....	80.89	7,518,188	16.233	\$808,229,771	\$288,960,595	\$519,269,176	\$519,269,176	\$172,526,431	\$346,742,745
\$501 to \$1,000.....	8.43	746,840	10.921	543,748,787	194,402,678	349,346,109	349,346,109	116,069,693	233,276,416
\$1,001 to \$2,500.....	6.91	647,260	19.557	973,729,190	348,130,551	625,598,639	625,598,639	207,854,064	417,744,575
\$2,501 to \$5,000.....	2.28	199,154	14.541	723,985,916	258,841,582	465,144,334	236,742,342	151,294,332	85,448,010
\$5,001 to \$10,000.....	.92	99,576	11.518	573,472,951	205,029,738	368,443,213	50,895,044	50,895,044	-----
\$10,001 and over.....	.57	49,789	27.230	1,355,761,946	484,716,147	871,045,799	25,448,632	25,448,632	-----
Grand total (7,416 banks).....	100.00	9,260,807	100.000	4,978,928,561	1,780,081,291	3,198,847,270	1,807,299,942	724,088,196	1,083,211,746

On the basis of the bill reported by the Banking and Currency Committee as a substitute for the McLeod bill, which bill as reported provided for payment in full of depositors' accounts up to \$2,500, the Treasury estimates that the required advance would total \$1,807,000,000. It estimates—and I think I should point out that the Treasury is conservative—that recoveries would amount to \$724,000,000, or almost exactly 40 percent. It will be seen that the unpaid deposits in closed banks total \$3,198,000,000. Forty percent of this figure is approximately \$1,279,000,000. Therefore it would seem that, according to the conservative estimate of the Treasury Department, sound values with a total expected recovery of considerably over a billion dollars is in the hands of the liquidating agents of these banks. We insist this sum should be released.

Under the provisions of the bill we are discussing, there should be approximately \$700,000,000 available now and a total of approximately twice that much when the permanent insurance law goes into effect. This is figured as follows: The present capital of the Federal Deposit Insurance Corporation consists of \$150,000,000 subscribed by the Treasury and approximately \$140,000,000 obtained from the Federal Reserve banks. Approximately \$39,000,000 has been paid in by the insured banks. Two and a half times this sum is available for the aid of depositors in closed banks. When the permanent insurance law goes into effect, the capital of the Federal Deposit Insurance Corporation will probably approximate \$500,000,000 and two and a half times this sum, or \$1,250,000,000, would be the approximate limit to which the Federal Deposit Insurance Corporation could go to aid depositors in closed banks. It will be noted that the estimated recoveries from assets now held in closed banks and the maximum allowed the Federal Deposit Insurance Corporation under this bill for assistance to closed banks are approximately the same in amount.

Before proceeding to the question of the responsibilities of the Government in this connection, I desire to point out

that your Committee on Banking and Currency has most carefully safeguarded the insurance reserves of the Federal Deposit Insurance Corporation and has explicitly prohibited the use of any of the funds raised for insurance purposes in bailing out assets in closed banks. The members of the committee expressed this in no uncertain language in lines 1 to 11 on page 11 of the bill as reported to the House. We felt that both the country and the bankers should know that there was no intention to weaken the Corporation nor impair the integrity of its insurance obligations by using it as a vehicle for assisting depositors in closed banks. This matter was not stressed in the debate on the floor of the House, but I think there is no provision in the bill which should be of greater interest to depositors and bankers.

The bill provides for an addition to the borrowing power of the Federal Deposit Insurance Corporation. Substantially, the increase in borrowing power is made for the purpose of aiding in the liquidation of closed banks. The former borrowing power was three times the capital. The pending bill expands the borrowing power to five times the capital, but provides that no more than one half of the obligations authorized by law shall be used for assisting closed banks. It is further specifically provided that no portion of the capital of the corporation, either as now organized, or as will be organized when the permanent set-up is established, shall be used for the purchase of or loans on assets in banks to be assisted by these provisions. As a further safeguard, the obligations issued are to be paid solely from funds received from the repayment of loans made or disposition of assets acquired from closed banks. As far as the financial operations of the Insurance Corporation, relative to assisting banks closed prior to January 1 of this year, are affected, they are as separate and distinct from the insurance provisions protecting present depositors as if we had created a separate and distinct liquidation corporation. It was thought unnecessary to create a new agency because the Federal Deposit Insurance Corporation is ideally fitted

for the work. However, the bill prevents any commingling of the funds raised for insurance purposes and the funds raised for liquidation purposes.

On the question of the obligation or duty of the Government to grant assistance to depositors in closed banks of all character, there is much difference of opinion, both in the House and in the committee. There are, in round numbers, 10,000,000 depositors affected. To ask 120,000,000 people to tax themselves for the benefit of 10,000,000 seems somewhat unfair, but I am ready to grant that there are many strong arguments that may be made in favor of such a proposition. However, let me hasten to say that this bill does not contemplate any loss to the taxpayers of the United States. The foundation of the bill is solid. There is no gift to anyone. There is merely liberal assistance, possibly somewhat beyond, as I think it should be, the usual conservatism of bankers in loaning money, but nevertheless the bill is based on the principle that the Government shall receive value for its advances.

I desire briefly to mention the two principal arguments that have been made for government responsibility. First, it is contended that the supervision of banks by either the Federal Reserve Board or the Comptroller's Office in itself was a representation to depositors that the Government was in charge of the banks and stood back of them. I do not believe that any successful legal argument can be made to support this proposition, but I do think there is some moral obligation involved, as I will later point out. It is next contended that the expressions of President Hoover and his Secretary of the Treasury, Mr. Mills, commonly known as the "antihoarding speeches", raised a further obligation. Again there can be no legal basis for such an obligation, but I think the man is blind indeed who can see no semblance of moral responsibility, to a degree, at least, in this contention. It has been held by the supreme court of my State that a director, knowing a bank statement to be inaccurate, or carelessly permitting his name to be attached to a statement without investigation by him as to its accuracy, may be held liable for the damage suffered by persons who lose as a result of his fraud or negligence. In the case I have in mind, it was held that persons who bought the stock of the bank in reliance upon the published statement could hold the negligent director financially responsible for the losses. I think this decision is sound and in conformity with generally accepted legal doctrines. How does this principle apply to the question as to the Government's moral responsibility?

The Government of the United States had a most difficult task in the years preceding March 6, 1933. The steady decline in the value of securities was not only a problem to bankers but it was a distressing problem to the Comptroller's Office. Great pressure was brought to bear on the Comptroller's Office to induce it to establish a rule of valuation which would disregard what then seemed to be very low market appraisals of bonds and other securities. It was contended, and the contention was not without merit, that many corporate obligations had a real or intrinsic value greatly in excess of the market's appraisal of such obligations, and it was contended that the ruthless writing down of such values to market upon the books of the banks of the country would result in numerous insolvencies, widespread withdrawals of funds, and consequent collapse of many thousands of banks throughout the country. It is a well-known fact that this contention met with some response in the Treasury Department, and out of it grew what is commonly known as the "intrinsic value rule." That such a rule exists will not be admitted as a general thing in the Comptroller's Office, but that such rule exists and has existed for some years is an absolute fact. I am happy to say that it is a passing rule, in my judgment.

For fear I may be accused of being unduly critical of the conduct of the Comptroller's Office when this rule went into effect, let me be frank and say that if I had been in that office, I would have approved the rule. This does not, however, overcome the fact that the intrinsic-value rule

caused the depositors of the United States great injury. Substantially, the rule worked in this way. Bonds of the higher grade, known in one agency with which I am familiar, as "Baa" or better, were permitted to be valued at what was considered to be the intrinsic value of the bonds without strict regard to their selling value on the markets. Such a rule was based upon the theory that prosperity was "just around the corner", and I think that the great man who coined the phrase and presided over the destinies of our country during that time expressed the thought of the great majority of his fellow countrymen when he made the statement; but prosperity was a long way from the corner, and the rule worked incalculable harm. Instead of the expected and hoped-for return of such bonds to normal, their ratings steadily declined and many thousands of issues went below the Baa rating. Many of such bonds were later disposed of far below their so-called "intrinsic value" as carried on the books of the banks. The effect of the rule was to keep banks open long after they were actually insolvent.

The result was twofold. First, by enabling banks to remain open after they were insolvent, the rule prevented the sale of securities at higher values, with consequent loss to the depositors. Second, by enabling banks to remain open after they were insolvent, it brought literally millions of dollars into the banks, subsequently lost, which would not otherwise have been deposited.

Let me again emphasize that in the light of the conditions as they then existed, the rule seemed sound and seemed necessary, but as a matter of cold fact, it permitted hundreds of institutions to remain open with the stamp of approval of the United States Government, when, as a matter of fact known to the Comptroller of the Treasury, they carried securities at values far above their actual selling price.

Referring back to the legal principle I have mentioned as having been established by the Supreme Court of my State, it follows that this Government permitted many institutions to be held out as having security values above the actual strict market value of those securities and is responsible. If an individual had so done he could be held legally responsible. Time has demonstrated that the policy was a mistake; that depositors suffered by it. Those depositors had in the main no knowledge of the rule, and assumed that bank assets were being valued at the market.

I think it cannot be denied that the effect of this policy imposes a moral obligation on the Government. How far the Government should go in the aid of such depositors is another question. To say that the facts set forth above are sufficient to constitute full moral responsibility for all deposits in closed banks is perhaps going too far. As between State and national banks, there may be some distinction, although the obligations undertaken by the Government to assist depositors is the burden of all citizens and all depositors, and not merely depositors in national banks. This bill will assist all depositors in all kinds of banks. There are no distinctions. It is unnecessary to determine for the purposes of this bill the question of whether or not a full moral responsibility rests on the Federal Government, but certainly it cannot be denied that there is some, in fact, considerable, moral responsibility on the Government of the United States to depositors in all closed banks. The bill before us recognizes that responsibility and requires an agency of the United States to exercise its endeavors by the use of a measure of value which is somewhat beyond the conservative-banker method of valuation, and go to the aid and assistance of that fine group of citizens who have trusted their funds to the banks of the Nation. We may not be doing enough, but we are certainly not doing too much.

I will close with the statement that from my intimate personal connection as a member of the subcommittee, consisting of our very able chairman, Mr. STEAGALL, and myself, who worked on this bill, I am satisfied that Chairman Crowley, of the Federal Deposit Insurance Corporation, and General Counsel Birdsell, of the same Corporation, who greatly aided us in the drafting of this bill, will, if given the

authority provided in this bill, liberally administer it in accordance with the intention of the Congress.

Mr. MULDOWNEY. Mr. Speaker, the McLeod bill, known as the "bank depositors' 100-percent pay-off bill", H.R. 8479, has been conceived in a most praiseworthy cause; it strikes at the root of the trouble; it is the proper remedy, the "elixir of life" that will restore confidence throughout the land. The trouble started at the banks, and it is at this source—the fountainhead—that we must apply the remedy if we are to hope for a speedy recovery.

I cannot too strongly urge the imperative need for speedy action on legislation to release the vast amount of potential purchasing and employing power now tied up in the assets of closed banks. The present session of Congress is rapidly drawing to a close. Millions of patriotic and industrious citizens are depending for urgently needed relief upon the use we make of the brief time remaining before adjournment. In this crucial period of the session, neglect to provide this essential and reconstructive form of relief can immeasurably prolong distress and retard recovery.

Congress has within its grasp today an opportunity, by passing the McLeod pay-off bill, to distribute over a billion dollars among more than 10,000,000 prospective purchasers and employers whose use of this money would provide a great recovery stimulus.

This is a form of direct relief which the United States Government is morally obligated to undertake. As a patriotic duty the Government urged citizens to cease hoarding and place their savings in the very institutions many of which are closed today.

I am thoroughly convinced that the most logical step toward recovery we could take at this time would be to restore purchasing and employing power throughout the entire Nation by releasing the savings of depositors which are now tied up in closed banks.

There is well over a billion dollars tied up in banking institutions scattered over the country. The immediate release and distribution of this money to workers who saved for old age or emergency and to factories which would employ more men at once would remove much of the existing pressure on the C.W.A. and other relief agencies. Relief would be extended to widows, orphans, and disabled, who could not benefit through ordinary employment relief measures.

Instead of keeping men on temporary Government pay rolls, it would facilitate and make possible the employment of vast numbers of jobless by private industry on a permanent basis. The depressed real-estate market would be assisted immeasurably toward a realization of proper values. Home owners, now desperately calling on the Home Owners' Loan Corporation for relief, would be enabled to pay off the mortgages on their homes. The effect of a 100-percent pay-off to bank depositors would be both cumulative and progressive in character.

The country is rapidly realizing that one of the principal underlying causes of the business and industrial ailments afflicting our country at the present time lies in its money or the lack of its circulation. By striking at the fundamental causes, by re-creating the consuming power of the great army of unemployed through productive permanent employment, far more can be accomplished than by the costly and temporary expedient of some form of Government dole or grant.

While the necessity for making depositors' money available has been recognized by the Government, it has not gone far enough. Depositors' funds were quickly made available in banks allowed by the Government to reopen, but sufficient relief has not yet been provided for the equally meritorious depositors in banks not permitted to resume operations.

Fully 0.9 of the entire population of the United States depend upon wages and salaries for their means of livelihood. With this in mind, it is quite apparent that the rehabilitation of manufacturing plants and the employment of more men is dependent to a great degree upon the libera-

tion of the potential consuming power represented by frozen deposits in closed banks.

Payment of these depositors at this time would constitute one of the most forward strides yet taken toward recovery. This form of vitally essential and reconstructive relief could be undertaken without cost to the Government or taxpayer in the final analysis. Within 10 years, as provided in the McLeod bill, or possibly even sooner, the Government, by purchasing the frozen assets of closed banks and liquidating them in rising markets, which are bound to come with recovery, could fully realize the sum advanced to depositors, thereby providing this great and incalculable stimulus to recovery without ultimate cost.

Mr. McLEOD. Mr. Speaker, the passage today of the deposit insurance bill, carrying the compromise provisions for bank depositors' relief, marks a signal achievement in our fight to release the frozen assets of closed banks.

This legislation has had a unique and most peculiar life since its birth last February 12, when I introduced my original bill to release frozen assets in closed banks and pay depositors the full balance due them on their deposits.

After failure of the Banking and Currency Committee to take action on the bank depositors' pay-off bill a petition was filed on April 9 to discharge the committee from further consideration and make possible a vote on April 23. This petition lacked only a few names of the necessary 145 when the committee, anxious to block consideration of the measure by the House, reported out a bill so as to nullify the petition and pigeonhole the bill.

In their haste the committee overlooked the fact that I had introduced two pay-off bills and reported out the wrong one. Later in the day the correct bill was reported, but this action of the committee was ruled illegal by the Speaker. As the petition had been completed in the meantime, the bank depositors' pay-off bill was scheduled to come up for a vote April 23.

During the prayer on April 23, and before the bank depositor's pay-off bill could be called up under the discharge rule, the Banking and Currency Committee again reported the bill, for the third time, by dropping the report in the receiving basket.

A resolution was introduced objecting to the reception of the committee report. A vote was then taken on a motion to table the resolution. The Speaker refused to answer my inquiry as to the significance of the vote and because of the general confusion on the floor at the time the impression prevailed that the vote was on a motion to override the decision of the Speaker instead of being on a simple motion to lay aside the resolution.

Such tactics as these, together with numerous adjournments of the House which hindered the obtaining of signatures on the new petition, have been responsible for many weeks of delay in bringing this legislation up for consideration by the House.

I am indeed happy that the fourth report on such legislation by the Banking and Currency Committee has led to our vote today on the compromise measure. While it does not afford as much relief as provided in my bill, it will, if properly administered, accomplish results of the greatest importance to recovery.

This compromise bill is designed to extend and broaden the power already given the F.D.I.C. to assist closed banks. Under provisions of the original Glass-Steagall bill, known as the "Banking Act of 1933", the F.D.I.C. was authorized to purchase or make loans on the assets of closed banks. The F.D.I.C. was not required by the law to exercise this power, however, and no use was ever made of it.

It was my hope that the House would accept my amendment this afternoon to make the provisions of the compromise bill mandatory, instead of leaving their administration to the discretion of the F.D.I.C. I believe, however, that the intent of Congress in this regard has been so clearly expressed, both here on the floor and in the language of the bill, that we may confidently look forward to a liberal administration of the provisions of this essential relief measure.

The compromise bill provides for loans and purchases to be made by the F.D.I.C., based on a liberal appraisal of assets, in anticipation of an orderly liquidation. Under provisions of the so-called "McLeod bank depositors' pay-off bill", the R.F.C. would purchase all remaining frozen assets of closed banks. Depositors would receive the full amounts due them at once. Those who owed banks money would be given 10 years in which to pay their debts at a reduced rate of interest. The R.F.C. would liquidate these frozen assets over a 10-year period, disposing of them when the rising markets, which are certain to come with recovery, made their sale possible at their true values. In this simple, yet effective way, a maximum amount of relief would be afforded without ultimate cost to the Government.

This would be but a logical and proper extension of the present functions of the R.F.C. The R.F.C. to date has purchased \$1,100,000,000 in preferred stock or capital notes in 6,994 banks. In addition, the R.F.C. has authorized 5,137 loans to banks. A total of \$1,113,478,667 has been disbursed, and all but \$310,606,571 has been repaid. In other words, 72 percent of the money borrowed by banks from the R.F.C. has been repaid already, as contrasted with total repayments from all borrowers of only 45 percent.

The method of liquidating bank assets is left largely to the discretion of the F.D.I.C. under provisions of the compromise bill. The F.D.I.C. is told to extend the period of liquidation so as best to conserve the value of the assets and prevent their unreasonable sacrifice. This method of disposing of assets would continue the present expensive receivership method of liquidation, which would be abolished under the provisions of my bill.

As a reconstructive recovery measure alone this program should be carried out by the Government. However, the United States Government is under a heavy moral obligation to provide this relief for depositors. For years the taxpayers of the country have maintained a department of the Government whose duty it was to periodically examine and inspect banks of the national banking system. It has been definitely and irrefutably shown that the Government, through its examiners, falsified statements concerning the condition of banks.

Naturally, and properly, the depositors had every reason to believe that the statements furnished them concerning the condition of their banks were accurate. They had no way of knowing that Government-paid examiners had been instructed by the Government to not show depreciation of certain assets of these banks. They had every right to believe that banks under Government supervision were safe as long as the Government allowed them to remain open for receipt of deposits.

When heavy withdrawals followed the shaking of confidence in banks, the Government, through its regularly elected and appointed officials, urged the people, as a public duty, to cease hoarding. Millions heeded this plea. These deluded millions did not dream that their Government was urging them to place their money in banks which it knew were unsound and unsafe. Yet this is exactly what happened.

Although requiring an initial outlay by the Government to discharge its obligation to these depositors, in the final analysis this far-reaching reconstruction program would not cost the Government a single penny. If dumped on the market now, these frozen bank assets would not realize more than a small percentage of their true values. However, their worth has materially increased during the past year, and there is every reason to believe that this increase will continue as we progress toward recovery.

By our action today in passing this legislation, we have taken a long stride forward. It is now our duty to insist that the Senate accept this compromise amendment when the conferees meet for the purpose of making the bill mutually acceptable to the House and Senate. The completion of the petition to discharge the Rules Committee and thereby automatically bring the so-called "McLeod bill" before the House for action on June 11 should influence the conferees of the compromise bill to a hasty and satisfactory agree-

ment and the desired concession of the relief provided for the bank depositors. The enactment into law of this relief measure will eliminate the acute situation that exists because the savings of more than 10,000,000 American purchasers and employers are being kept from circulation. It will accomplish more than any other one measure possibly could to bring about that rejuvenation of our national tranquillity toward which we are expectantly and confidently striving.

UNIFORM SYSTEM OF BANKRUPTCY

Mr. McKEOWN, from the Committee on the Judiciary, submitted the following conference report on the bill (H.R. 5884) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5884) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 29, 32, 34, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 1 and insert in lieu thereof the following: "whether filed before or after this section becomes effective, provided the present operations of such corporation do not exclude it hereunder, and whether or not the corporation has been adjudicated a bankrupt"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: Strike the Senate amendment numbered 3 and insert in lieu thereof the following: "or in any territorial jurisdiction in the State in which it was incorporated. The court shall upon petition transfer such proceedings to the territorial jurisdiction where the interests of all the parties will be best subserved"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 14 and insert in lieu thereof the following: "In case an executory contract or unexpired lease of real estate shall be rejected pursuant to direction of the judge given in a proceeding instituted under this section, or shall have been rejected by a trustee or receiver in bankruptcy or receiver in equity in a proceeding under this section, any person injured by such rejection shall, for all purposes of this section and of the reorganization plan, its acceptance and confirmation, be deemed to be a creditor. The claim of a landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be treated as a claim ranking on a parity with debts which would be provable under section 63 (a) of this act, in an amount equal to the rent, without acceleration, reserved by said lease for the 3 years next succeeding the date of surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid rent accrued up to such date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of future rent claims and the amount of the consideration paid for such assignment in determining the amount of damages allowed assignee hereunder"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: On page 10, line 23, of the House engrossed copy of the bill, after the word "committee", insert a colon and the following: "Provided, That the judge shall scrutinize and may disregard any limitations or provisions of any depository agreements, trust indentures, committee or other authorizations affecting any creditor acting under this section, and may enforce an accounting thereunder or restrain the exercise of any power, which he finds to be unfair or not consistent with public policy and may limit any claims filed by such committee member or agent, to the actual consideration paid therefor"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In line 11, of the Senate engrossed amendment numbered 26, after the word "any", strike out the word "such" and insert in lieu thereof the word "proposed"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: At the end of the Senate amendment strike out the period and insert a colon and the following: "Provided, however, That such personal representative shall first obtain the consent and authority of the court which has assumed jurisdiction of said estate, to invoke the relief provided by said act of March 3, 1933." The first sentence of subdivision (m) of said section 74 is amended to read as follows: "The filing of a debtor's petition or answer seeking relief under this section shall subject the debtor and his property, wherever located, to the exclusive jurisdiction of the court in which the order approving the petition or answer as provided in subdivision (a) is filed, and this shall include property of the debtor in the possession of a trustee under a trust deed or a mortgage, or a receiver, custodian, or other officer of any court in a pending cause, irrespective of the date of appointment of such receiver or other officer, or the date of the institution of such proceedings: *Provided*, That it shall not affect any proceeding in any court in which a final decree has been entered"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 28 and insert in lieu thereof the following:

"SEC. 3. In the administration of the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, as amended, the district court or any judge thereof shall, in its or his discretion, so apportion appointments of receivers and trustees among persons, firms, or corporations, or attorneys therefor, within the district, eligible thereto, as to prevent any person, firm, or corporation from having a monopoly of such appointments within such district. No person shall be appointed as a receiver or trustee who is a near relative of the judge of the court making such appointment. The compensation allowed a receiver or trustee or an attorney for a receiver or trustee shall in no case be excessive or exorbitant, and the court in fixing such compensation shall have in mind the conservation and preservation of the estate of the bankrupt and the interests of the creditors therein."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 30 and insert in lieu thereof the following: "but the claim of a landlord for injury resulting from the rejection by the trustee of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall in no event be allowed in an amount exceeding the rent reserved by the lease, without acceleration, for the year next succeeding the date of the surrender of the premises plus an amount

equal to the unpaid rent accrued up to said date: *Provided*, That the court shall scrutinize the circumstances of an assignment of future rent claims and the amount of the consideration paid for such assignment in determining the amount of damages allowed assignee hereunder: *Provided, further*, That the provisions of this clause (7) shall apply to estates pending at the time of the enactment of this amendatory act"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 31 and insert in lieu thereof the following:

"SEC. 7. Proceedings under section 77 of chapter 8, amendment to the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', as amended, approved March 3, 1933, shall not be grounds for the removal of any cause of action to the United States district court which was not removable before the passage and approval of this section, and any cause of action heretofore removed from a State court on account of this section shall be remanded to the court from which it was removed, and such order of removal vacated."

And the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Strike out the Senate amendment numbered 33 and insert in lieu thereof the following:

"SEC. 9. That the second sentence of subdivision (b) of section 75 of the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', as amended, is amended to read as follows: 'The conciliation commissioner shall receive as compensation for his services, including all expenses, a fee of \$25 for each case docketed and submitted to him, to be paid out of the Treasury.'"

And the Senate agree to the same.

HATTON W. SUMNERS,
A. J. MONTAGUE,
TOM D. McKEOWN,
FRANK OLIVER,
RANDOLPH PERKINS,

Managers on the part of the House.

FREDERICK VAN NUYS,
PAT MCCARRAN,
DANIEL O. HASTINGS,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H.R. 5884) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments, to which the House agreed, are formal and merely improve the language of the bill: Amendments 2, 4, 6, 7, 8, 9, 10, 11, 12, 17, 18, 19, 20, 21, 22, 23, 24.

On amendment 1: Amendment 1, as agreed upon by the conferees, makes it possible for a corporation in bankruptcy, either before or after this section becomes effective, to proceed to reorganize under this section.

On amendment 3: The House bill provided that proceedings under this section should be initiated before the court in whose territorial jurisdiction the corporation during the preceding 6 months had had its principal place of business or its principal assets. The Senate amendment provided that in case of controversy as to the principal place of business or the place where the principal assets are located, then the petition could be filed in the territorial jurisdiction in which the corporation was incorporated, provided that the court

could transfer the proceedings to any jurisdiction where the corporation had a substantial portion of its assets if satisfied that the interests of all parties would be better subserved thereby.

The amendment, as agreed upon by the conferees, retains jurisdiction as provided in the House bill and also provides that the petition may be filed in any territorial jurisdiction in the State in which the corporation was incorporated. The court, however, is directed upon petition to transfer such proceedings to the territorial jurisdiction where the interests of all the parties will be best subserved.

On amendment 5: The Senate amendment, to which the House agreed, makes it unnecessary to show that the corporation has committed an act of bankruptcy within 4 months in case a prior proceeding in bankruptcy or an equity receivership is pending at the time proceedings under the reorganization section are initiated.

On amendment 13: Amendment 14, as agreed upon by the conferees, makes unnecessary the language which amendment 13 strikes out. The House therefore receded.

On amendment 14: Under the House bill, executory contracts, including claims for future rent, are made provable claims for the purposes of this section. The Senate amendment limited claims for future rent to an amount equal to the rent reserved by the lease for 1 year.

The amendment agreed to by conference makes any person injured by the rejection of an executory contract or unexpired lease of real estate a creditor for the purposes of this section. The claim of the landlord for injury resulting from loss of future rents is limited to an amount not to exceed the rent reserved by the lease for 3 years next succeeding the date of surrender of the premises or the date of reentry of the landlord, whichever first occurs, plus unpaid rent accrued up to such date of surrender or reentry of the landlord. The court is directed to scrutinize the circumstances of an assignment of future rent claims and the amount of the consideration paid for such assignment in determining the amount of damages to be allowed such assignee.

On amendment 15: The Senate amendment provides that for the purposes of this section a creditor may act by an attorney at law as well as in person, or by duly authorized agent or committee. The House, by the conference amendment, agreed to the Senate amendment providing that a creditor may act by an attorney at law, and also provided that the judge shall scrutinize and may disregard any limitations or provisions of depository agreements which may limit any claims filed by a committee member or agent to the actual consideration which such committee member paid therefor.

On amendment 16: This Senate amendment, to which the House agreed, tolls the running of the statutes of limitations during the pendency of proceedings under this section.

On amendment 25: The House bill provides that the judge may require the trustee or trustees, or if there be no trustee, the debtor, to make any transfer or conveyance necessary to effectuate the plan of reorganization after confirmation.

The Senate amendment, to which the House agreed, includes as parties whom the court may require to make such transfers or conveyances, any mortgagee, the trustee of any obligation of the debtor, and all other proper and necessary parties.

On amendment 26: Senate amendment 26 excepts from the operation of all the provisions of the Securities Act of 1933, except the civil and criminal liability provisions thereof, for fraud or misrepresentation, all securities issued pursuant to any plan of reorganization confirmed by the court and all certificates of deposit representing securities of all claims against the debtor which it is proposed to deal with under the proposed plan.

The House adopted the Senate amendment with a minor alteration of language.

On amendment 27: The Senate amendment amends the section of the Bankruptcy Act dealing with individual debtors which was added to the act by the amendment of March 3, 1933. It provides that such section shall include the

personal representative of a deceased individual for the purpose of effecting a settlement or composition with the creditors of the estate.

The conferees agreed to the Senate amendment with the addition of the proviso that such personal representative shall first obtain the consent and authority of the court which has assumed the jurisdiction of said estate. Also the provision is added that the filing of a debtor's petition or answer seeking relief under section 74 shall subject the debtor and his property wherever located to the jurisdiction of the court and that this shall include property in possession of a trustee or receiver irrespective of the date of appointment of such receiver or other officer, provided that this amendment shall not affect any proceeding in any court in which a final decree has been entered.

On amendment 28: This amendment has to do with the prevention of monopolies of receiverships, trusteeships, and appointments as attorney for receiver in any district.

The amendment agreed to by the conferees provides that "the district court or any judge thereof shall in its or his discretion so apportion appointments of receivers and trustees among persons, firms, or corporations, or attorneys therefor, within the district eligible thereto as to prevent any person, firm, or corporation from having a monopoly of such appointments within such district." The appointment of a person as a receiver or trustee who is a near relative of the judge making the appointment is prohibited.

The further provision is made that the compensation allowed the receiver or trustee or his attorney shall in no case be excessive or exorbitant, and the court is directed in fixing such compensation to have in mind the conservation and the preservation of the estate of the bankrupt and the interests of the creditors therein.

On amendment 29: Senate amendment 29 makes judgments for negligence provable claims in bankruptcy. The House agreed to the amendment.

On amendment 30: This amendment has to do with claims for future rent under the general Bankruptcy Act. As agreed upon by the conferees, such claims are permitted to be provable claims, provided that in no event shall a claim for damages be allowed in an amount exceeding the rent reserved by the lease for 1 year after surrender of the premises, plus the unpaid rent accrued to said date. The courts are directed to scrutinize the circumstances of an assignment of future rent claims and the consideration paid therefor in determining the amount of damages to be allowed an assignee. The provisions of this clause are made to apply to estates pending at the time of the enactment of this amendatory act.

On amendment 31: This amendment clarifies the intent of Congress that no cause of action not removable to the Federal court before the enactment of the railroad section of the Bankruptcy Act shall be removable by reason of the enactment of such section.

The House conferees agreed to the Senate amendment with the addition of a further provision requiring the remanding to the courts from which removed all such suits heretofore removed to Federal court.

On amendment 32: Amendment 32 makes mandatory the appointment by the courts of bankruptcy within 30 days after the enactment of this act of a conciliation commissioner in every county having an agricultural population of 500 or more farmers for the administration of the agricultural composition section of the Bankruptcy Act enacted in March 1933. The House agreed to this amendment.

On amendment 33: By the terms of this Senate amendment, the filing fee for farmers under the agricultural composition section is increased from \$10 to \$25 and the compensation of the conciliation commissioner is raised to \$25 for each case filed.

Under the amendment agreed to by the conferees, the compensation for the commissioners is increased to \$25 for each case, but the filing fee for farmers is left at \$10.

On amendment 34: Amendment 34 amends the subdivision of the agricultural composition section extending the secondary liability in case of an extension granted the prin-

cipal debtor so as to include within its provision those who may have insured, or guaranteed such debts, or bonds issued on the security thereof. The House agreed to the amendment.

HATTON W. SUMNERS,
TOM D. McKEOWN,
A. J. MONTAGUE,
FRANK OLIVER,
RANDOLPH PERKINS,

Managers on the part of the House.

VETO MESSAGE OF THE PRESIDENT OF THE UNITED STATES—
G. C. VANDOVER

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, House bill No. 4973, entitled "An act for the relief of G. C. Vandover."

The bill authorizes and directs the Secretary of the Treasury to pay to G. C. Vandover out of any money in the Treasury not otherwise appropriated the sum of \$2,500 in full settlement of all claims against the Government of the United States for injury sustained by G. C. Vandover who, while acting within his capacity as an employee of State Hospital No. 4, Farmington, Mo., had his right leg shot off by a discharged soldier, then a patient in such hospital.

The circumstances attending the injury to Mr. Vandover were extremely unfortunate and I do not mean to underrate the seriousness of his present condition; but the allowance by the Federal Government of an award to him under the circumstances would create an undesirable precedent which might lead to further claims for injuries incurred by State employees under comparable conditions.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, May 24, 1934.

The SPEAKER. The objections of the President will be spread upon the Journal.

Mr. BYRNS. Mr. Speaker, I move that the message and the bill be referred to the Committee on Claims.

The motion was agreed to.

H.R. 9459

Mr. BROWN of Kentucky. Mr. Speaker, I ask unanimous consent to file minority views on the bill, H.R. 9459.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. SEARS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the Everglades Park bill and to include therein certain references I referred to this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

RULES OF THE JOINT COMMITTEE ON PRINTING

Mr. KELLER. Mr. Speaker, the other day I received unanimous consent to insert in the RECORD two letters from former Senator Robert L. Owen. I did not know anything about the limitations in reference to printing, and about a week later I found out that the letters had been held up because they were too long. May I inquire what I should do about the matter?

The SPEAKER. The Chair is advised that the Joint Committee on Printing has adopted a rule limiting the length of letters to be printed in the RECORD. If they are over two pages they cannot be printed in the RECORD.

MINORITY VIEWS

Mr. BLANTON. Mr. Speaker, will the Chair permit a parliamentary inquiry?

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Where a measure is reported by a committee and goes on the Union Calendar and, of course, is

referred for the action of the Committee of the Whole House on the state of the Union, and, of course, ipso facto, every Member of the House is a member of the Committee of the Whole House on the state of the Union, has or has not any Member who is not a member of the committee reporting the bill, a right to file, if he wants to do so, a minority report against such bill?

The SPEAKER. The Chair understands the Member does not have that right, but can do so by unanimous consent.

Mr. BLANTON. That can be done only by unanimous consent?

The SPEAKER. The Chair is so advised.

TO MAKE TEMPLE HILL A NATIONAL SHRINE

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including some very brief references to Temple Hill, George Washington's headquarters in my district in New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of the Reverend A. Elwood Corning, president of National Temple Hill Association, delivered at the forty-third congress, Daughters of the American Revolution, Washington, D.C., April 16, 1934:

Madam President General, members of the Forty-third Congress of the Daughters of the American Revolution: After the military operations at Yorktown were brought to a dramatic close the comparative leisure of camp life was attended with perils as great as any which confronted Washington during the entire Revolution.

The temper of Congress, the depletion of the National Treasury, the limited power in the Articles of Confederation combined tended to discourage the soldier ere he returned to the pursuits of peace, lest at home his petitions would go unredressed and his grievances unrecognized.

In this state of mind, in the fall of 1782, the Continental Army went into their last encampment, 3½ miles to the southwest of the present city of Newburgh, N.Y. Huts were at once erected, ultimately accommodating some eight thousand troops. A large temple for worship was constructed, and in this public building Washington appeared on the 15th of March 1783, to answer the anonymous communications designed to inflame the susceptible feelings of the soldiers and to arouse them to concerted action.

It was indeed a precarious situation; never did Washington face a more difficult task. Taking his place upon the platform, he paused before reading his prepared address, and took from his waistcoat pocket a pair of silver-framed spectacles. As he placed them before his eyes, he said, "You see, gentlemen, that I have not only grown gray, but blind, in your service, but I never doubted the justice of my country."

In this address at Temple Hill, Washington was concerned with the soul of the Nation, and on that day, under his successful leadership, the Republic of America was spiritually reborn.

That Washington recognized the importance of this occasion may well be believed when we note the conclusion of his address: "Had this day been wanting", he said, "the world had never seen the last stage of perfection to which human nature is capable of attaining."

It is to memorialize this great event in the history of our country that the National Temple Hill Association, Inc., has been organized. It is our purpose to restore at least in part this last cantonment of the Continental Army by creating at Temple Hill a national park, in which one of the original huts will be returned to its old site. Replicas of other Revolutionary huts will from time to time be constructed. The temple is to be rebuilt; and thus, by setting apart this historic ground as a patriotic shrine, a deserved tribute, long overdue, will be given to the memory of those who bequeath us a republic.

EXTENSION OF REMARKS

Mr. KVALE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a brief editorial from today's Washington News. The title of the editorial is "Harry Hopkins."

Mr. CARTER of California. Mr. Speaker, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HEALEY, for several days, on account of illness in his family.

To Mr. CRUMP, for 1 week, on account of important business.

To Mr. STUDLEY, for the balance of the week, on account of death in his family.

HOUR OF MEETING ON MONDAY

Mr. BYRNS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on Monday next. I do this for the reason that District legislation has been crowded out for a day or two, and this is possibly the last day that will be devoted to District matters, and I think we should have an additional hour, if possible.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, may I ask the majority leader whether or not we are to have a vote on the petition to discharge the Committee on Interstate and Foreign Commerce from further consideration of the 6-hour railroad bill?

Mr. BYRNS. In view of the ruling of the Speaker on a previous occasion, if the information I have received is correct, I take it there will not be, because I understand the Committee on Interstate and Foreign Commerce has reported the bill.

Mr. BOILEAU. With a favorable or unfavorable report?

Mr. BYRNS. I am not advised, but I think the committee reported the measure without recommendation.

Mr. BOILEAU. Am I to understand that this action of the committee taken today deprives the Membership of the right to have a vote on this bill next Monday?

Mr. BYRNS. The Speaker has so ruled. The vote next Monday would be a vote to discharge the committee and, when the committee has discharged itself, I cannot see the logic of having such a vote on Monday.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 9530. An act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as "The Narrows"; and

H.J.Res. 345. Joint resolution to provide funds to enable the Secretary of Agriculture to carry out the purposes of the acts approved April 21, 1934, and April 7, 1934, relating, respectively, to cotton and to cattle and dairy products, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on May 23, 1934, present to the President, for his approval, a bill of the House of the following title:

H.R. 3673. An act to amend the law relative to citizenship and naturalization, and for other purposes

ADJOURNMENT

Mr. BYRNS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 6 o'clock and 30 minutes p.m.) the House adjourned to meet (in accordance with its previous order) on Monday, May 28, 1934, at 11 o'clock a.m.

COMMITTEE HEARING

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Friday, May 25, 10 a.m.)

Continuation of the hearings on H.R. 9689, to amend the Railway Labor Act.

EXECUTIVE COMMUNICATIONS, ETC.

487. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for participation of the United States in A Century of Progress (the World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1934, amounting to \$200,000, together with the unexpended bal-

ance of the appropriation for the exposition held at Chicago in 1933, to be immediately available and to remain available until June 30, 1935 (H.Doc. No. 387), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COFFIN: Committee on Military Affairs. H.R. 1729. A bill to create a national memorial military park at and in the vicinity of Kennesaw Mountain, in the State of Georgia, and for other purposes; with amendment (Rept. No. 1758). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 368. Resolution for the consideration of S. 3404, a bill authorizing loans from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes; without amendment (Rept. No. 1759). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H.R. 7430. A bill to establish a 6-hour day for employees of carriers engaged in interstate and foreign commerce, and for other purposes; without amendment (Rept. No. 1763). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H.R. 9694. A bill to amend the Emergency Railroad Transportation Act, 1933, approved June 16, 1933; without amendment (Rept. No. 1764). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. H.R. 9723. A bill to revive and reenact the act entitled "An act authorizing the Bainbridge Island Chamber of Commerce, a corporation, its successors and assigns, to construct, maintain, and operate a bridge across Agate Pass connecting Bainbridge Island with the mainland in Kitsap County, State of Washington; without amendment (Rept. No. 1765). Referred to the House Calendar.

Mr. LEA of California: Committee on Interstate and Foreign Commerce. H.R. 9706. A bill authorizing the Oregon-Washington Bridge Board of Trustees to construct, maintain, and operate a toll bridge across the Columbia River at Astoria, Clatsop County, Oreg.; with amendment (Rept. No. 1766). Referred to the House Calendar.

Mr. CULLEN: Committee on Ways and Means. H.R. 9617. A bill to authorize the reduction of the required distance between liquor distilleries and rectifying plants and to authorize higher fences around distilleries; with amendment (Rept. No. 1768). Referred to the Committee of the Whole House on the state of the Union.

Mr. FADDIS: Committee on Military Affairs. H.R. 9275. A bill to provide for the protection and preservation of domestic sources of tin; without amendment (Rept. No. 1769). Referred to the Committee of the Whole House on the state of the Union.

Mr. GASQUE: Committee on Pensions. H.R. 9705. A bill to amend section 30, title III (veterans' provisions), of Public Law No. 141, Seventy-third Congress, to give the benefits thereof to veterans who enlisted in the United States forces after August 12, 1898, and who served outside the continental limits of the United States; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'BRIEN: Committee on the District of Columbia. H.R. 8517. A bill to provide for needy blind persons of the District of Columbia; with amendment (Rept. No. 1771). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H.R. 9725. A bill to authorize the deportation of the habitual criminal, to guard against the separation from their families of aliens of the noncriminal classes, and

for other purposes; without amendment (Rept. No. 1772). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOMASON: Committee on Military Affairs. S. 1587. An act to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever", approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act; without amendment (Rept. No. 1757). Referred to the Committee of the Whole House.

Mrs. GREENWAY: Committee on Indian Affairs. H.R. 986. A bill for the relief of William F. Bourland; with amendment (Rept. No. 1760). Referred to the Committee of the Whole House.

Mr. PALMISANO: Committee on the District of Columbia. S. 1757. An act to amend an act entitled "An act to incorporate the Mount Olivet Cemetery Co. in the District of Columbia"; without amendment (Rept. No. 1761). Referred to the Committee of the Whole House.

Mr. PALMISANO: Committee on the District of Columbia. S. 3442. An act to dissolve the Ellen Wilson Memorial Homes; without amendment (Rept. No. 1762). Referred to the Committee of the Whole House.

Mr. WILLFORD: Committee on War Claims. S. 1690. An act for the relief of the Bowers Southern Dredging Co.; with amendment (Rept. No. 1767). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration of the bill (S. 1595) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional officers of the Regular Establishment who served during the World War, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILSON: A bill (H.R. 9753) to provide for the relief of farmers in areas suffering actual or potential damages by reason of the execution of the Flood Control Act of May 15, 1928, by the guaranty of payment of principal and interest of loans to be made to landowners in such areas by a Federal land bank, and for other purposes; to the Committee on Agriculture.

By Mr. McCANDLESS: A bill (H.R. 9754) to authorize the Governor of the Territory of Hawaii to appoint and remove certain officers and members of boards without the advice and consent of the senate of said Territory; to the Committee on the Territories.

By Mr. DISNEY: A bill (H.R. 9755) relating to the tribal and individual affairs of the Osage Indians of Oklahoma; to the Committee on Indian Affairs.

By Mr. RANDOLPH: A bill (H.R. 9756) to authorize the establishment and maintenance of an industrial plant at Reedsville, W.Va.; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: A bill (H.R. 9757) to reduce the internal-revenue tax on certain distilled spirits; to the Committee on Ways and Means.

By Mr. MOREHEAD: A bill (H.R. 9758) to establish a national park on the Daniel Freeman homestead, in Gage County, Nebr.; to the Committee on Appropriations.

By Mr. DUFFEY: A bill (H.R. 9759) to improve nationwide housing standards, provide employment, and stimulate industry; to improve conditions with respect to home-mortgage financing; to promote thrift and protect savings; to amend the Federal Home Loan Bank Act; to amend the

Federal Reserve Act; and for other purposes; to the Committee on Banking and Currency.

By Mr. WEST of Texas: A bill (H.R. 9760) to provide for the legalizing the residence in the United States of certain classes of aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H.R. 9761) to extend the times for commencing and completing the construction of a bridge across the Rio Grande at Boca Chica, Tex.; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON of Wisconsin: Resolution (H.Res. 394) abolishing of ambassadorships and ministry; to the Committee on Rules.

By Mr. SMITH of West Virginia: Resolution (H.Res. 395) for the consideration of H.R. 7984; to the Committee on Rules.

By Mr. TRUAX: Resolution (H.Res. 396) providing for the appointment of a select committee of five Members of the House of Representatives to investigate the personnel, conduct, and activities of the National Recovery Review Board; to the Committee on Rules.

By Mr. LEMKE: Joint Resolution (H.J.Res. 356) proposing an amendment to the Constitution of the United States providing for the initiative of legislative measures by electors; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GLOVER: A bill (H.R. 9762) for the relief of Thomas J. Allen, Jr.; to the Committee on Claims.

By Mr. McDUFFIE: A bill (H.R. 9763) for the relief of R. E. Sutton, Lula G. Sutton, Grace Sutton, and Mary Lou Drinkard; to the Committee on Claims.

By Mr. McMILLAN: A bill (H.R. 9764) granting a pension to Jeannette W. Moffett; to the Committee on Pensions.

By Mr. OWEN: A bill (H.R. 9765) for the relief of the Pike County Nurseries; to the Committee on Claims.

By Mr. REECE: A bill (H.R. 9766) granting a pension to Oscar K. Shell; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4764. By Mr. BOYLAN: Resolution adopted by the Nativ-ity Council, No. 357, Knights of Columbus, in the city of New York, favoring amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4765. Also, letter from the Workers Unemployment Insurance Club, New York City, favoring House bill 7598; to the Committee on Labor.

4766. Also, resolution unanimously adopted by the New York State League of Savings and Loan Associations, New York City, favoring House bill 9620, to provide Nationwide housing standards, etc., in connection with the President's message to Congress on May 14 known as the "Home modernization program"; to the Committee on Banking and Currency.

4767. By Mr. BUCKBEE: Petition of the mayor of the city of South Beloit, Ill., calling upon Congress to appropriate additional funds for the use of the Public Works Administration; to the Committee on Appropriations.

4768. By Mr. GOODWIN: Petition containing the names of 104 members of the Holy Name Society of St. Mary's Church, Kingston, N.Y., urging support of the amendment to section 301 of Senate bill 2910, providing for the insurance of equity of opportunity for educational, religious, agricultural, labor, cooperative, and similar non-profit-making associations seeking licenses for radio broadcasting by incorporating into the statute a provision for the allotment to said nonprofit associations of at least 25 percent of all radio facilities not employed in public use; to the Committee on Merchant Marine, Radio, and Fisheries.

4769. Also, petition of 11 members of the National Woman's Party and League of Women Voters of New York City, urging committee report on House bill 9240; to the Committee on Expenditures in the Executive Departments.

4770. Also, petition signed by 25 substitute postal employees of Albany, N.Y., having served from 4 to 10 years as substitutes, urging immediate hearing and favorable committee report on House bill 6560, for making regular appointments in the post office to fill all existing vacancies; to the Committee on the Post Office and Post Roads.

4771. By Mr. JENKINS of Ohio: Petition signed by 66 employees of the Chesapeake & Ohio Railway, petitioning Members of Congress to vote for Senate bill 3231, commonly called the "railway employees' pension bill"; to the Committee on Interstate and Foreign Commerce.

4772. By Mr. LINDSAY: Petition of Fred F. French Cos., New York City, urging support of House bill 7240 and Senate bill 2471; to the Committee on Banking and Currency.

4773. Also, petition of the Merchants Association of New York, New York City, opposing the rider attached to the bank-deposit guaranty bill by the House Committee on Banking and Currency; to the Committee on Banking and Currency.

4774. Also, petition of Edward J. O'Connor, attorney, New York City, urging amendment to the deposit guaranty bill to read "January 2, 1929", instead of "December 31, 1929"; to the Committee on Banking and Currency.

4775. By Mr. McLEAN: Petition of 166 residents of the Sixth Congressional District of New Jersey, petitioning Congress to restore to Spanish War veterans and their widows and dependents all benefits enjoyed by them as of January 1, 1933; to the Committee on Pensions.

4776. Also, petition containing 97 names, and resolution of the Holy Name Society, Holy Trinity Roman Catholic Church, Westfield, N.J., regarding radio station WLWL and the communications bill; to the Committee on Merchant Marine, Radio, and Fisheries.

4777. Also, petition containing 65 names and resolution of the Holy Name Society of St. Michael's Church, Cranford, N.J., regarding radio station WLWL and the communications bill; to the Committee on Merchant Marine, Radio, and Fisheries.

4778. Also, petition of the United Brotherhood of Carpenters and Joiners of Westfield, United Brotherhood of Carpenters and Joiners of Elizabeth, Central Labor Union of Plainfield and vicinity, Workmen's Sick and Death Benefit Fund of the United States of America, Hillside, all of the State of New Jersey, regarding the Wagner-Lewis unemployment-insurance bill; to the Committee on Labor.

4779. Also, petition of the Metal Polishers', Buffers' and Electro Platers' Union No. 44, of Newark, N.J., regarding the Wagner-Connery Disputes Act; to the Committee on Labor.

4780. By Mr. McLEOD: Petition of approximately 24,506 citizens of Detroit, Mich., forwarded by the Detroit Times, urging the immediate adoption of the McLeod bank depositors' pay-off bill; to the Committee on Banking and Currency.

4781. By Mr. RUDD: Petition of Fred F. French Cos., New York City, favoring the passage of House bill 7240 and Senate bill 2471; to the Committee on Banking and Currency.

4782. Also, petition of Plunkett-Webster Lumber Co., Inc., New Rochelle, N.Y., favoring the passage of House bill 9620, providing for repairing and the improvement of existing homes; to the Committee on Banking and Currency.

4783. Also, petition of the Merchants Association of New York, opposing certain amendment to the bank-deposit guaranty bill; to the Committee on Banking and Currency.

4784. By Mr. TARVER: Petition of 1,000 students of the Georgia State College for Women, Milledgeville, Ga., asking for an increased appropriation to the United States Institute of Health Research; to the Committee on Appropriations.

4785. By the SPEAKER: Petition of members of the St. Francis Holy Name Society of Lodi, N.J., endorsing the proposed amendment to section 301 of Senate bill 2910; to the Committee on Merchant Marine, Radio, and Fisheries.

4786. Also, petition of W. W. Stickney and others, of Sacramento, Calif., urging the passage of House bill 9596; to the Committee on Interstate and Foreign Commerce.

4787. Also, petition of the County Donegal Men's Social and Protective Association, Bayonne, N.J., supporting the amendment to section 301 of Senate bill 2910, providing for the insurance of equity of opportunity for non-profit-making associations seeking licenses for radio broadcasting; to the Committee on Merchant Marine, Radio, and Fisheries.

4788. Also, petition of the City Council of the City of Chicago, declaring itself in favor of a ruling which would exempt city purchases from the N.R.A. codes; to the Committee on Ways and Means.

4789. Also, memorial of the Board of Supervisors of the City of San Francisco, Calif., urging the immediate passage by Congress of a bill having for its purpose the immediate redemption of adjusted-compensation certificates for World War veterans; to the Committee on Ways and Means.

SENATE

FRIDAY, MAY 25, 1934

(Legislative day of Thursday, May 10, 1934)

The Senate met at 10:30 o'clock a.m., on the expiration of the recess.

THE JOURNAL

On motion of Mr. ROBINSON of Arkansas, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Thursday, May 24, was dispensed with, and the Journal was approved.

MEDALS OF HONOR, ETC., FOR OFFICERS AND MEN OF COAST GUARD

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to place officers and men of the Coast Guard on the same basis as officers and men of the Navy with respect to Medals of Honor, Distinguished Service Medals, and Navy Crosses, which, with the accompanying paper, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the convention of the National Society, Daughters of the Revolution, favoring the equipping and developing of Reserve Officers' Training Corps units so as to provide for trained and intelligent officer personnel, and the making of adequate appropriations for the Citizens' Military Training Camps and Reserve Officers' Training Corps, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the convention of the National Society, Daughters of the Revolution, protesting against the ratification of the so-called "child-labor amendment" to the Constitution, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Council of the City of Portland, Oreg., favoring the passage of the bill (H.R. 7598) to provide for the establishment of unemployment and social insurance, and for other purposes, which was referred to the Committee on Education and Labor.

PROTECTION OF CONSTITUTIONAL SAFEGUARDS

Mr. KEAN. Mr. President, I submit for the RECORD resolutions adopted by the Women's Republican Club of Barnegat, N.J., which they have asked me to put into the RECORD.

The PRESIDING OFFICER. Without objection, the resolutions will be received, lie on the table, and be printed in the RECORD.

The resolutions referred to are as follows:

BARNEGAT, N.J., May 7, 1934.
United States Senator HAMILTON F. KEAN,
Washington, D.C.

Whereas the Republican Party, under the leadership of Abraham Lincoln, guided our country through an emergency far greater than the present and saved the Union founded on the Constitution; and